

JAN 10 1999

INTERNATIONAL

Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The World's Daily Newspaper

R

London, Monday, February 1, 1999

No. 36,053

TODAY:
HEALTH
SCIENCE
Breast Cancer, Page 9

A Proposal to Monitor World Finance System

In Report to G-7, German Central Banker To Seek Dialogue but No Big Structures

By Alan Friedman
and Jonathan Cope
International Herald Tribune

DAVOS, Switzerland — Hans Tietmeyer, president of the Bundesbank, said Sunday he would soon recommend to the wealthy Group of Seven nations the formation of a committee of financial regulators to exchange information and track potential problems in the global economy before they erupted.

The influential German central banker was asked by the G-7 last September — after more than a year of global financial crisis — to study

Annan Asks Firms To Enforce 'Values'

UN Secretary-General Kofi Annan, speaking at the World Economic Forum in Davos, Switzerland, called on companies Sunday to enact standards on human rights, labor and the environment in developing countries.

Separately, the U.S. Export-Import Bank's chief said the bank would offer \$1 billion in aid to Brazil. Page 11.

ways to achieve better coordination among supervisors and international institutions such as the International Monetary Fund.

In recent weeks there has been a bewildering array of sometimes contradictory proposals to reshape the way the global economy is policed. The proposals range from small retouches to ambitious ideas for a whole new financial foundation.

The Bundesbank chief emphasized in an interview during an international economic conference here that he did not favor the creation of any large new regulatory structure. He maintained that he was a proponent of coordination among existing regulatory authorities, adding that he said he would deliver his report ahead of a meeting of G-7 finance ministers in Japan on Feb. 20.

"My proposal will be organization and will look at how we can bring together the IMF, the World Bank, plus national bank insurance and securities market supervisors," Mr. Tietmeyer said.

"The idea is to bring these people together in regular meetings for an exchange of views and in an effort to come to common conclusions. I am not talking about crisis management, but about how to insure the smooth functioning of the system, of markets."

Although he said it would be premature to provide details of his plan,

Mr. Tietmeyer said he would "not recommend any big structures, but merely a small secretariat."

He added: "In my view, the most important thing to be done is to deal with deficiencies and find out where systemic problems are coming up. I am not interested in an academic exercise but in concretely identifying deficiencies in the system and new systemic problems and then initiating the political response to them."

On Saturday, Robert Rubin, the U.S. Treasury secretary, addressed the gathering of world business and political leaders here and voiced support for reforming the "architecture" of the international financial system "to reduce its susceptibility to crises and to improve our response to crises."

However, Mr. Rubin appeared to distance the United States from endorsing some European and Japanese proposals for trying to manage currency markets or create new regulatory institutions.

"Widely discussed reforms that sound attractive on their surface," Mr. Rubin warned, "on full examination often raise serious questions to which there are currently no good answers." Mr. Rubin added, "I have come to believe that the ultimate key is not economics or finance, but politics — the art of developing support for strong policy."

Mr. Rubin was explicit in rejecting calls for the G-7 to try to manage the level of the dollar, the yen and the euro by creating target zones. Commenting on the proposals, he said the key to stability in foreign-exchange markets was good economic policy. For major currencies, he said, "target zones and similar measures are no substitute for sound underlying policies."

Responding to widespread suggestions that hedge funds had contributed to the crisis in Asia and Russia, Mr. Rubin said, "I do not believe that hedge funds have been a significant factor in the financial crisis."

But Mr. Rubin conceded that the activities of hedge funds "may well have amplified market movements in some cases for some period of time" and added that the way hedge funds had leveraged their borrowings in order to speculate "merits further examination."

At the Davos conference Sunday, an informal group of international political leaders and government officials concluded two days of consultations on the issue of how to reform the world financial system.

Senator John Kerry of Massachusetts, speaking on behalf of the officials, said, "There was no sense that

the future is bright," he said.

See DAVOS, Page 13

No Dissent, if You Please

Tightly Scripted Forum Spurns Alternate Views

By Anne Swardson
Washington Post Service

DAVOS, Switzerland — It was one of those typical discussion groups at the meeting this year of the World Economic Forum, the annual confab of the rich and powerful.

Five panelists, average age 63, were up there talking about how Western Europe is ready coming to grief. A few problems, maybe, but with its new single currency, the euro, the future is bright, they said.

Then it was question time. The moderator called on Fields Wicker-Mimin, an American-born management consultant based in Britain who, with a German and a French colleague, had written and that morning distributed a report titled "Wake Up, Europe!"

Europe has big problems, she told the speakers and several hundred listeners, and proceeded to tick them off: double-digit youth unemployment in many countries, flawed eco-

nomic systems, a growing gap between old and young, social welfare systems that do not improve living standards, a lack of entrepreneurial spirit and capital — what the report called "an ossified, sclerotic economic system."

The younger generation, said Ms. Wicker-Mimin, 40, is stuck with a set of rules it does not want and do not have the capacity to change them.

"We have our whole lives ahead of us," she said. "Something needs to be done."

The panel members, appearing shocked at this unintentional reference to their mortality, could hardly have been less responsive.

She was being a bit harsh, said the moderator, Peter Sutherland.

The session ended. A later news release summarizing the session failed to mention the report or its authors.

But of course, upstarts are not ap-

See FORUM, Page 13

The Intermarket Pages 10, 18.

The HT Online www.ht.com

Newspaper Prices	
Belarus	1,000 BD Malts
Cyprus	C 2 1.00 Nigeria
Denmark	17 DK
Finland	12.00 FM
Gibraltar	5.00
Great Britain	UK £1.00 Saudi Arabia
Egypt	25 5.50 S. Africa
Jordan	1.250 JD U.A.E.
Kenya	K Sh. 160 U.S. M. (Eur.)
Kuwait	700 Fils Zimbabwe
	25 5.00

5
9 770294 805117

In a Loud and Noisy World, Baby Boomers Pay the Consequences

By Susan Levine
Washington Post Service

WASHINGTON — Tomi Browne listens to people's ears. To how they hear and what they do not. And for most of her 22 years as an audiologist, her clients have overwhelmingly been people pushing 70 or beyond. The hearing-aid set.

But lately, surprisingly, Ms. Browne's contemporaries have been showing up at her Northern Virginia office.

These are men and women in their 40s to early 50s, baby boomers. They confess that they strain to catch words in crowded restaurants or meetings, or that the television suddenly needs to be turned higher. Loud sounds really hurt their ears, and maybe they have noticed an incessant buzzing.

Some walk out with the startling news that they

have permanently lost hearing. More than a few need to get fitted for hearing aids.

"I'm seeing more of my classmates as patients, rather than them bringing in their parents," said Ms. Browne, 44. "Sometimes they're even bringing in their teenage kids."

Other audiologists report the same sobering age shift, and statistics are starting to corroborate the anecdotal evidence. Data from the National Health Interview Survey indicate that significantly more Americans are having difficulties hearing. From 1971 to 1990, hearing problems among those from 45 to 64 jumped 26 percent, while the 18-to-44 age group reported a 17 percent increase.

With people living longer than ever, "This has to be viewed as a very serious health and social problem," said Sharon Fujikawa, president of the American Academy of Audiology. "It really be-

hooves us to conserve our hearing as much as possible or risk isolation."

Marilyn Pena, a secretary from Germantown, Maryland, was about 47 years old when she first learned her hearing was deficient. She ignored the diagnosis. Soon she also was ignoring her alarm clock — because she couldn't hear its wake-up beep — and was resorting to lip reading at work.

"People at work would come up and whisper in my ear because they didn't want others to hear, and I couldn't hear, either," she said.

After seven years, pushed by frustrated friends, Ms. Pena finally hooked a hearing aid behind her left ear. She no longer guesses in vain at conversation or asks, "What?" countless times a day.

Worrisome changes also are taking place among children and teenagers, who are growing up with rock concerts far more deafening than those the

Woodstock generation attended, along with the megavolumes of everything from video arcades to boomboxes.

A study published last year in the Journal of the American Medical Association showed that nearly 15 percent of children from 6 to 19 who were tested suffered some hearing deficit in either low or high frequencies.

The main culprit, many suspect, is noise — not just the noise blaring from the headphones that seem permanently attached to teenagers hot the noise from their parents' surround-sound stereos, which can rival small recording studios.

Add the barrage to moviegoers' ears during movies such as "Armageddon" and "Godzilla," and the blast from leaf blowers, mowers, personal

See HEARING, Page 4



An ethnic Albanian mother weeping on Sunday at the funeral for her son, who was killed in a Kosovo village.

Starr Considers Indicting Clinton

Prosecutor Could Act Before President Leaves Office, Aides Say

By Don Van Natta Jr.
New York Times Service

Mr. Starr had not decided whether, or when, to ask the federal grand jury here to charge Mr. Clinton with perjury and obstruction of justice related to the Monica Lewinsky matter.

"He is persuaded by precedent and logic that a sitting president can be indicted," one associate said. "But he has given no hint about whether he would do it, either now or sometime down the road."

In taking any such action, Mr. Starr would be guided by a number of factors, including the impact that an indictment of the president would have on the nation and the government, according to the associates, who requested anonymity.

But these associates emphasized that

agreed with the conclusion of his office's two constitutional-law scholars that the U.S. Constitution and legal precedent gave a prosecutor authority to seek the indictment, trial and conviction of a sitting president.

The scholars concluded that the 1997 Supreme Court decision allowing the Paula Jones sexual-misconduct lawsuit to proceed while Mr. Clinton was still in office had greatly increased the chances that an indictment of Mr. Clinton would survive a constitutional challenge by the president's lawyers, the associates said.

Though most constitutional scholars apparently believe that a sitting president can be indicted, the majority of those

See STARR, Page 4

Origin of AIDS Is Traced to Chimps

By Lawrence K. Altman
New York Times Service

CHICAGO — The riddle of the origin of the AIDS virus has apparently been solved, according to an international team of scientists who reported Sunday that they had traced its roots to a related virus in a subspecies of chimpanzee in Africa.

Because the chimpanzee is able to live with the virus without falling ill, the scientists expressed hope that their discovery would eventually help improve therapies and develop an effective vaccine against the AIDS virus.

The researchers, who reported their

findings at the opening session of a scientific meeting here, said the simian virus was closely related to HIV-1, the type of AIDS virus that has caused the overwhelming majority of cases in the world.

Since the virus jumped to humans, perhaps through exposure to blood in the hunting and dressing of chimpanzees for meat, it has been transmitted among humans to infect an estimated 30 million people in the world.

"The chimpanzee, which has served as the source of HIV-1, also quite possibly holds the clues to its successful control," Dr. Beatrice Hahn of the University of Alabama at Birmingham, the team leader, said in an interview.

Although scientists have long suspected that HIV-1 came from the chimpanzee, they have not been able to identify the precise subspecies until now.

The subspecies is known as Pan troglodytes, and the chimpanzee virus is known as SIVcpz, for simian immunodeficiency virus chimpanzee.

Future research needs to focus on why HIV-1 is lethal for humans while SIVcpz seems to cause no illness in the chimpanzee, even though humans and chimpanzees are 98 percent genetically similar, Dr. Hahn, head of the team, and

See AIDS, Page 4



READY FOR KICKOFF — A National Football League groundskeeper putting a few touches on the field at Pro Player Stadium in Miami for the Super Bowl, which was played Sunday night. Page 18.

AGENDA

Yeltsin Leaves Clinic In Time for Birthday

MOSCOW (Reuters) — President Boris Yeltsin spent his first full day out of the hospital on Sunday after two weeks of receiving treatment for a stomach ulcer.

A Kremlin spokeswoman said that Mr. Yeltsin, who will be 68 on Monday, was resting at the Barvikha sanatorium near Moscow one day after leaving the capital's elite Central Clinical Hospital, where he received treatment with drugs.

The spokeswoman said Mr. Yeltsin was expected to spend a quiet birthday at Barvikha with his family Monday.

Mr. Yeltsin, who has handed responsibility for running day-to-day affairs to Prime Minister Yevgeny Primakov, is expected to remain at Barvikha for another two weeks to continue his recovery.

Crossword Page 9.

Opinion Page 8.

See KOSOVO, Page 4

Yeltsin Leaves Clinic In Time for Birthday

West Bank Jazz / The Brooklyn of the Middle East

In Ramallah, Palestinian Americans Drive a 'Boomlet'

By Lee Hockstader
Washington Post Service

RAMALLAH, West Bank — It's a Thursday jazz night in the Palestinian city of Ramallah, and Angie Lawrence, Jimi Carson's old "Tonight Show" saxophonist, is jamming.

On this particular night, at a neon-lit nightspot called Flamingo's, the boys happen to include Israelis on keyboard and guitar, a trio of young Arabs on oud and drums, and backup sax players from Australia and Ukraine. A mellow crowd nibbles fajitas and onion rings and knocks back beers at the bar, and the music winds playfully from Dizzy Gillespie and Duke Ellington to traditional Arab rhythms.

A decade ago, at the height of the Palestinian insurrection known as the *intifada*, a night out in Ramallah might have included a deadly cat-and-mouse game with Israeli troops or the cold-blooded execution of a suspected informer. Now, three years after Israeli troops withdrew from Ramallah, a new vibrancy and a semblance of normal life are settling over the West Bank town, albeit in fits and starts.

A 20-minute drive north of Jerusalem, the center of Ramallah, famously sleepy before the *intifada* and notoriously violent during it, is abuzz with commerce and clogged with traffic, shops and new restaurants.

The town of about 35,000 could almost be called cosmopolitan. A women's newspaper, the only one for Palestinians, began publishing here. A Coca-Cola bottling plant has opened along with new car dealerships, hotels and banks. Land prices have tripled and quadrupled in the last few years, and the construction trade is brisk. The boomlet has a distinctly American flavor, drawing heavily on the money, ideas and experience of Palestinian Americans and others who have returned from the United States or have strong personal connections there.

For decades young men from Ramallah and its surrounding villages have set off to the United States to seek their schooling and fortune. Many stayed — more than 28,000 by some estimates — but some began to return after Israel and the Palestinians signed the Oslo peace accord in 1993. Their influence is felt disproportionately to their numbers. In tiny West Bank villages east of Ramallah, it is not unusual to see Palestinian children tossing a football. In Ramallah, new businesses and construction sites are as often as not backed by Palestinian Americans.

Take the owner of Flamingo's, Garo Mardirossian. The 32-year-old Palestinian of Armenian descent attended college and met his wife, an American, in Michigan. He modeled his nightspot after the American chain Bennington's.

On the street, Palestinian students still burn the occasional American flag when the United States bombs Iraq. But inside Flamingo's, the posters on the wall are a pantheon of American pop culture — James Dean, Elvis Presley, Marilyn Monroe, Clint Eastwood and Charles Bronson.

Mr. Lawrence, the former "Tonight Show" saxophonist, who teaches jazz in Israel and plays at Flamingo's every Thursday, is bullish on Ramallah. "I grew up in Brownsville, Brooklyn, where it was a wonderful place to smell the aromas and taste the flavors of many cultures. Well," he said, glancing around, "this place is Brooklyn. People are happy."

But Israelis, for the most part, continue to give the town a wide berth, especially since an incident last December in which a 19-year-old Israeli soldier, Captain Asaf Myara, was dragged from a car on its outskirts and stomped by a Palestinian mob.

Now do Palestinians see things as uniformly rosy. After a mini-explosion of new business and investment following the Oslo agreement, activity has tailed off and land prices have stabilized as prospects for long-term peace with Israel have blurred.

IN MOST OF THE Palestinian-controlled parts of the West Bank and Gaza Strip, the standard of living has declined in the five years since the Oslo peace agreement was signed. Incomes, buying power and private investment have dipped and poverty has climbed. Ramallah may look good in comparison to its neighbors, but it is not immune to the overall Palestinian economic malaise.

Little in the way of new industry has arrived to accompany the new



On Thursdays, Israelis and Palestinians jam at Flamingo's, one of the many new nightspots, shops and restaurants that are thriving in Ramallah, where the *intifada* once raged.

construction, and investors remain wary. The West Bank still lacks an airport, as well as free passage through Israel to the other main Palestinian population center, the Gaza Strip. And while some Palestinian Americans have settled in the city, a sizable number came, looked around and booked a return flight to the United States.

"There's a few more shops and restaurants, but that doesn't have much effect on many average people," said Nazih Shawar, 40, who returned to Ramallah in 1993 after spending 18 years in the United States.

"There's more business, yes, but there's no more stability and peace."

Still, the town has stirred to life in recent years, and one catalyst is the Palestinian American influence all

around Ramallah — at Angelo's, a pizza parlor whose owners were inspired by the fast food they ate when they lived in Alabama in the 1980s; at the City Inn Hotel, built by Rida Kased, 60, a Palestinian American who quit the grocery business in Brooklyn and plowed \$1 million into the new project; and in the nearby village of Deir Dibwan, where the young men goofing off outside the pool hall are Californians and Chicagoans visiting their relatives or looking for Palestinian wives.

"This place is just like America — baseball, basketball, skateboarding, you name it," said Kanan Mustafa, 21, who runs a drive-through liquor store in Dayton, Ohio.

Ramallah also has benefited from its

unique history and geography and from contemporary politics. Quakers came in the 19th century and opened schools; new money arrived from expatriates working in the United States beginning in the 1920s. Wealthy Arab princes, drawn by Ramallah's comparatively cool climate, built villas so they could spend their summers here. Predominantly Christian until early this century, Ramallah was open to outside influences and developed a certain permissiveness. Although Islam has gained ground today, Ramallah remains one of the few places on the West Bank where it is easy to get a beer.

Lately, the city has had a shot in the arm from the Palestinian National Authority, most of whose ministries have been established in Ramallah.

U.S. Planning Tougher Steps Against Libya

By James Risen
New York Times Service

WASHINGTON — A month before a U.S. deadline for Libya to hand over two suspects in the bombing of Pan Am Flight 103 in 1988, officials say they are planning to seek tougher economic sanctions against Tripoli.

After months of diplomatic maneuvering, they say, Colonel Muammar Gadhafi has given no sign that he will accept a compromise from the United States and Britain on trial arrangements in the case.

President Bill Clinton announced in December that the United States would push for tougher UN sanctions if Libya failed to hand over two intelligence agents for trial in the Netherlands by the end of February. But London and Washington have ruled out Libya's demands for their imprisonment, if they are convicted, to be in a third country.

At a service marking the 10th anniversary of the bombing, Mr. Clinton said the compromise offer to have the case heard by a Scottish court sitting in the Netherlands was a "take-it-or-leave-it offer." If the Libyans failed to hand over the suspects by the time the sanctions came up for review, the president said then, the United States would ask the Security Council to approve tougher sanctions. A bomb blew up Pan Am Flight 103 over Lockerbie, Scotland, on Dec. 21, 1988. A total of 270 people — all 259 on board the plane and 11 on the ground — were killed.

Despite the intervention of UN Secretary-General Kofi Annan, who met with Colonel Gadhafi in December, U.S. officials say the Libyans seem no closer to accepting a deal. Colonel Gadhafi seems to fear that if he hands over the agents, investigators will pursue evidence further up the Libyan chain of command, the officials said. The two suspects, Abdel Basset Ali Megrahi and Lamen Khalifa Fhimah, were indicted in 1991.

The White House is trying to determine how best to shape sanctions that would be more stringent but not so onerous that they would fail to gain passage by the Security Council. U.S. officials acknowledge that international fatigue with open-ended sanctions against Libya prompted Mr. Clinton's administration to propose the compromise.

Fear in Sierra Leone as Rivals 'Do Their Own' and Nigerians Want Out

By Norimitsu Onishi
New York Times Service

FREETOWN, Sierra Leone — Issa Alison-Konteh sat at an intersection in this capital, an unsteady stool beneath him, the gutted Piccadilly chicken grill belted him, a crumpled blouse beside him and two burned-out buildings before him.

The two buildings were set afire last February, when Nigerian-led multinational forces swarmed into Freetown and restored President Ahmad Tejan Kabbah to power. The president had been removed a year earlier by rebels who contend that they are battling a rich clique that they say runs Sierra Leone.

Then, in a so far vain but extremely brutal campaign to recapture the city, the rebels returned and destroyed the house and restaurant.

"The politicians do their own, the rebels do their own, and you're caught in the middle," said Mr. Alison-Konteh.

After eight years of civil war between the rebels and a government that says the guerrillas are merely out for their own gain, Sierra Leone lies in ruins, a country only in name. More than 440,000 of its people — about 10 percent of the population — have fled to neighboring countries. The country is ranked by the United Nations as the world's poorest.

Government authority has dissolved. The main national defense force is the Kamajors, a ragtag militia of men and boys who often wear mirrors on their chests in the belief this will ward off bullets. The government's only significant support has come from the West African peacekeeping force headed by soldiers from sub-Saharan Africa's most populous country, Nigeria.

But that support seems about to evaporate. In the case of Sierra Leone, that means heading up the intervention force known as Económ and restoring Mr. Kabbah to power in 1998. But General Abacha died last June. His successor,

General Abdulsalami Abubakar, has promised to restore civilian rule in Nigeria and said he hopes to withdraw all Nigerian troops from Sierra Leone by May. Also, the price of oil, Nigeria's chief source of wealth, is plummeting, slicing at the money needed to help keep Sierra Leone together.

As for Washington, it gave Económ \$3.9 million in 1998 for peacekeeping in Sierra Leone. This year, as part of the United States' shrinking total development budget in Africa, only \$1.5 million is budgeted. No reliable figures exist about the costs incurred by Nigeria, though some diplomats have suggested that they might reach as high as \$1 million a day.

For now, the Nigerians are in Freetown, a city of ruins that belies the optimism of its name, given when it was settled two centuries ago by freed slaves from Britain and America. The first university in sub-Saharan Africa was founded here. Now there is only death, despair and devastation. Nigerian forces shell the hilly outskirts of eastern Freetown, where the rebels have fled, retreating from their latest offensive, begun Jan. 6.

General Abdulsalami Abubakar, has promised to restore civilian rule in Nigeria and said he hopes to withdraw all Nigerian troops from Sierra Leone by May. Also, the price of oil, Nigeria's chief source of wealth, is plummeting, slicing at the money needed to help keep Sierra Leone together.

As for Washington, it gave Económ \$3.9 million in 1998 for peacekeeping in Sierra Leone. This year, as part of the United States' shrinking total development budget in Africa, only \$1.5 million is budgeted. No reliable figures exist about the costs incurred by Nigeria, though some diplomats have suggested that they might reach as high as \$1 million a day.

For now, the Nigerians are in Freetown, a city of ruins that belies the optimism of its name, given when it was settled two centuries ago by freed slaves from Britain and America. The first university in sub-Saharan Africa was founded here. Now there is only death, despair and devastation. Nigerian forces shell the hilly outskirts of eastern Freetown, where the rebels have fled, retreating from their latest offensive, begun Jan. 6.

The latest assault on Freetown followed three months of fighting in which the rebels killed and maimed villagers in eastern and northern Sierra Leone. The rebels' actions seemed to be a reaction in part to the public execution in Freetown of 24 soldiers involved in the 1997 coup against Mr. Kabbah and, more important, the death sentence handed out last October to their leader, Foday Sankoh.

The rebel leader, who is appealing the sentence and is believed to be in jail somewhere in Sierra Leone, founded the Revolutionary United Front in 1991, saying he was disgusted with the mismanagement and corruption of successive civilian governments.

A cashed-in army corporal, he directed his guerrillas from the bush. He is said to inspire religious devotion among his followers, an unknown number of whom are now fighting on his behalf and demanding his release.

In 1996, he signed a peace agreement with Mr. Kabbah, who had been chosen president in what were considered fair elections. The elections followed five years of rule by the military, whose young officers enriched themselves in the country's diamond mines. The mines have been tapped since by the government and the rebels to finance their war efforts.

But the 1996 agreement quickly unraveled. The military staged a coup in 1997 and invited the rebels to join them in Freetown in a partnership that lasted until February 1998, when the Nigerians helped restore Mr. Kabbah. The rebels now trying to topple the

president are made up of Mr. Sankoh's group and former members of the military. No one knows exactly how many they are; nor is there a precise number for the Nigerian-led forces in the country.

Mr. Sankoh's group, consisting of men and boys from rural areas, says it represents disaffected Sierra Leoneans against a powerful, small elite in Freetown who exploit and monopolize the country's diamonds.

"We have vast mineral resources and yet we are the poorest country on the face of the planet," said Martin Coker, the special assistant to Sam Bockarie, the rebels' battlefield commander.

Reached in the bush on his satellite phone, he said: "Our people are deprived of basic human rights to health, education, and a better standard of living. It is a noble cause that we have embarked on." Mr. Coker denied charges by ordinary Sierra Leoneans, the government, foreign diplomats and international humanitarian groups that members of his organization had committed atrocities. He blamed instead the militia fighting for the government.

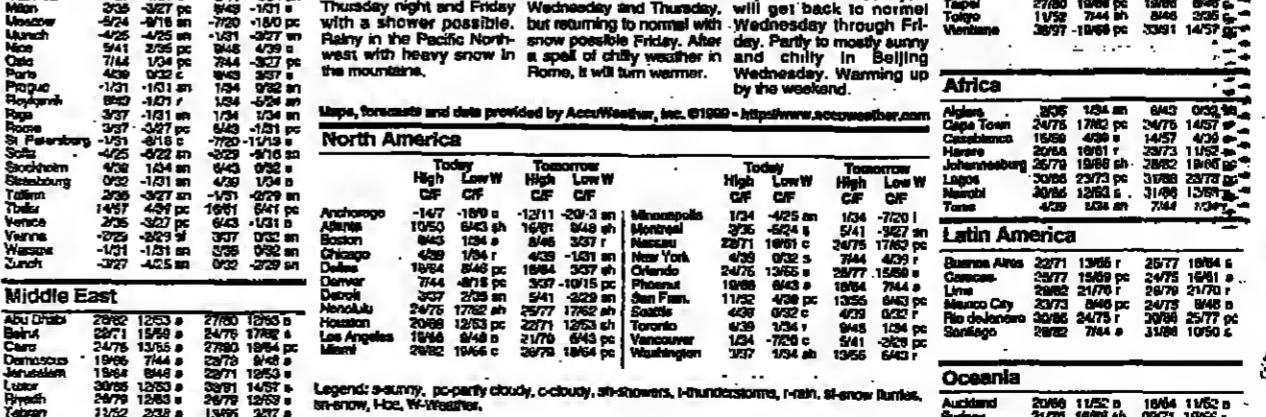
Septimus Kailai, the president's spokesman, rejected the rebels' criticisms.

"There are no issues for these people," he said. "They do not have a political agenda. They do not have a religious agenda. There's no social agenda. What they're simply doing is simply personal; it's personal aggrandizement, selfishness on their part, just to amass wealth."

WEATHER



Map, forecasts and data provided by AccuWeather, Inc. ©1998 - <http://www.accuweather.com>



Map, forecasts and data provided by AccuWeather, Inc. ©1998 - <http://www.accuweather.com>

Snowfall Diverts Flights in Italy

ROME (AP) — Snow forced some flights to be diverted in southern Italy and Sicily. A flight from Naples to Palermo was diverted to Trapani, in western Sicily. In Calabria, the airport of Lamezia Terme was shut down until late Sunday morning.

Icicles dangled from Rome's monumental fountains after the temperature in the capital dipped overnight to minus 2 centigrade (28 Fahrenheit). Several towns in Umbria were isolated after ice and snow made travel on local roads impossible. In Sardinia, a flight from Bologna had to be diverted from Olbia to Cagliari airport because of high winds.

Snow made Stromboli, an active volcano that forms a tiny, inhabited island north of Sicily, look like a giant ice cream cone, and in Sicily, skiers jammed roads to enjoy fresh snow on Mount Etna, another active volcano.

Discount Fares in Southeast Asia

SINGAPORE (AP) — Southeast Asian airlines have agreed to offer standard discounted fares for tourists flying into the region in a bid to prop up shrinking tourism revenues. A special air pass will entitle passengers to buy \$90 coupons for travel to any single destination in the region.

The key participants of the air pass program are Garuda Indonesia, Singapore Airlines, Malaysia Airlines, Thai Airways, Philippine Airlines and Royal Brunei. A minimum of three flight coupons must be purchased together with an international ticket for travelers to be entitled to the air pass. Hundreds of people living near Madrid's Barajas airport blockaded the air terminal Sunday in a protest against the intense noise level from some jetliners, police said. (APF)

This Week's Holidays

Banking and government offices may be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

MONDAY: Israel, Malaysia, New Zealand.

TUESDAY: Liechtenstein.

WEDNESDAY: Mozambique.

THURSDAY: Angola, Sri Lanka.

FRIDAY: Bahrain, Bangladesh, Burundi, Israel, Mexico, Oman, Saudi Arabia.

SATURDAY: New Zealand.

Sources: Bloomberg, Reuters.

TRAVEL UPDATE

Rats Captured at Malaysia Airport

KUALA LUMPUR (AP) — More than 3,000 rats have been caught at Malaysia's multibillion dollar international airport since it opened in June. The airport has been plagued by the pests due to its location on old oil palm plantations, Transport Minister Ling Liang Sik said.

Reports of rats scurrying around the airport have led eaters to keep tight lids on garbage bins and prompted the government to rehire rat-catchers after airport operations were disrupted. A Malaysian Airlines flight was forced to turn back when a rat was spotted in the plane's first-class cabin.

Banking and government offices may be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

MONDAY: Israel, Malaysia, New Zealand.

TUESDAY: Liechtenstein.

WEDNESDAY: Mozambique.

THURSDAY: Angola, Sri Lanka.

FRIDAY: Bahrain, Bangladesh, Burundi, Israel, Mexico, Oman, Saudi Arabia.

SATURDAY: New Zealand.

Sources: Bloomberg, Reuters.

A Must Read Complimentary Report

A Professional's Guide to Currency Speculation and Risk Management

This comprehensive report is mandatory reading for all investors. Complete with profitable, simple, fully disclosed trading models, an 11 year track record and all price data for performance verification.

For This Free Report and Our Services Guide Call Toll-Free (24hrs)

Australia 1800 125944 Belgium 0800 015688 Denmark 800 016132

France 0800 802245 Greece 0800 119231613 Germany 0800 0

THE AMERICAS

Senators Seek Right Words To Put an End To Clinton Case

Reuters

WASHINGTON — Lawyers on all sides prepared Sunday for the next round of questioning Monica Lewinsky, even as senators talked of finding bipartisan language that could settle the case against President Bill Clinton.

With the yearlong scandal over Mr. Clinton's relationship with the former White House intern entering what could be its final two weeks, some lawmakers said the Senate might not even get a majority vote against the president, let alone the two-thirds needed to convict and remove him from office.

Ms. Lewinsky, who returned to Washington on Saturday from her home in Los Angeles, was scheduled to be the first of three witnesses to be asked to give depositions to House of Representative prosecutors and White House lawyers.

"At 9 A.M. on Monday, Representative Ed Bryant, a Tennessee Republi-

cian and a former federal prosecutor,

will begin questioning Ms. Lewinsky on videotape for possible playback later on the Senate floor.

House prosecutors tried to dampen any speculation there would be new bombshells from any witness.

Representative Bill McCollum, Republi-

cian of Florida, said on TV that he

did not "want anyone to think there is

some huge bombshell out there."

Senators fanned out across the television talk show circuit Sunday, with many talking of finding a bipartisan approach short of forcing Mr. Clinton from office, while still making it clear that he had done something wrong.

Some Republicans were promoting a "finding of fact" that listed what Mr. Clinton did wrong and could pass by a simple majority before the Senate voted on the two articles of impeachment. Senator Susan Collins, Republican of Maine, who has been one of the prime supporters of the finding of fact movement, said that such a motion would not declare Mr. Clinton guilty of crimes but rather lay out for the record what he did.

With Republicans holding only a 55-to-45 majority, no one now believes there are the 67 votes needed to convict Mr. Clinton.

Senator John Breaux, Democrat of Louisiana, said that he knew of about 12 or so Republicans who would vote against removal.

Mr. Clinton arranged a trip to Central America to be in Washington on Feb. 12, when the Senate intends to cast the final vote on the articles of impeachment.



Monica Lewinsky returning to her Washington hotel with her lawyer, Billy Martin. She is scheduled to give a deposition Monday at the hotel.

POLITICAL NOTES

Reno Edges Closer to Ending Probe of Clinton Fund-Raising

WASHINGTON — Ending an inquiry that has haunted her for months, Attorney General Janet Reno has declined to appoint an independent counsel to investigate whether the former White House aide Harold Ickes lied to a Senate committee two years ago. The decision represented a significant step toward bringing to a close the Justice Department's long-running inquiry into President Bill Clinton's re-election fund-raising.

With the cloud of potential criminal prosecution lifted after nearly a year of inquiry into whether he testified falsely about his activities on behalf of the Teamsters union, Mr. Ickes said he was "very pleased and very relieved." Mr. Clinton also said he was pleased.

Republicans in Congress had mixed reactions as the Justice Department's campaign finance investigation spotlighted a close with about a dozen prosecutions against lower-level campaign fund-raisers. "I don't see how she could determine there wasn't a violation," Representative Christopher Shays, Republican of Connecticut, said. "She was willing to have Judge Star look into the president's sexual activity, but she has consistently refused to look at something at the very center of the political process."

Senator Fred Thompson, the Tennessee Republican who is chairman of the committee that investigated the Democrats' fund-raising and referred Mr. Ickes's case to the Justice Department, said Ms. Reno's decision would hasten the death of the independent counsel statute. "The demise of the independent counsel law when it expires this year may be the most notable achievement of her tenure," he said. (NYT)

60% Backing for Censure Move

WASHINGTON — Small majorities of Americans oppose the Senate's decisions to continue the impeachment trial of President Bill Clinton and take testimony from witnesses, and while the public remains firmly against removing Mr. Clinton from office, 60 percent said the Senate should censure him for his conduct, according to a new Washington Post poll.

Nearly three in four surveyed said they were concerned the trial will last longer than necessary, with just one in four expressing fear that the Senate will not be able to examine all the important issues.

The poll showed Republicans and Democrats sharply divided on many of the key issues in the impeachment trial. Those partisan divisions help to explain why Republicans have pushed to call witnesses in the face of general disapproval by the public. (WP)

"The label that the White House is trying to pin on the Republicans is that we are on a witch hunt, that we have no agenda and that we try to win elections through investigation and smear," said Senator Robert Bennett, a Utah Republican who has delved deeply into the history of impeachments. He rejects this characterization, but is allowed that this "is the label we risk taking on if we don't handle this well."

Many Democrats, who have closed ranks to protect the president, still want a chance to censure him because otherwise they "risk being seen as accepting unacceptable behavior, as the party that doesn't know the difference between right and wrong," said Senator Joseph Lieberman, Democrat of Connecticut.

The first two struggles have polarized the political parties as Mr. Clinton's ratings have soared. The bid for history, on the other hand, might pull them together, if only for a moment — at Mr. Clinton's expense.

Mr. Clinton's interest in his legacy is legendary. But he is not the only one concerned about history. Many Republicans have said that they are going into this next phase of the drama hoping to prove to posterity that the impeachment was fully justified, not mere partisan venom.

"If we can be judged to have been fair and evenhanded in the process and procedures, that's very important," said Senator Thad Cochran, Republican of Mississippi. "If we're seen as trying to impose rules that are designed to rig the process to the advantage of the House managers, then we deserve to be criticized."

On the first two issues, the interests of the Republicans and the interests of the Democrats are opposite ends of a seesaw. But the third, shared, interest — the desire to make the Senate, and each senator, look good for history — pulls them away from the teeter-totter and toward a compromise in which Mr. Clinton receives some official rebuke even as he remains in office.

Mr. Bennett sketched it this way: A bipartisan censure could address each party's political needs. The Democrats could distance themselves from Mr. Clinton, too, believes the story will end with the parties hunkered down — and that will be fine for his side. "It will be looked upon as an investigation into sexual proclivities and an impeachment that was blatantly political," he said.

Away From Politics

• A court-martial will begin this week for Captain Richard Asby, the first of eight U.S. Marines facing manslaughter charges after his airplane flew into and severed lift cables over an Italian ski resort a year ago, killing 20. (Reuters)

• New York City hospitals are strug-

gling to manage a widespread flu epidemic that is stretching their emergency rooms and wards to overcapacity and forcing workers to rat race up the overtime, doctors to cancel some elective surgeries and administrators to air out unused wards for patients who are flowing through the doors. (NYT)

Journeys end, but miles follow you home.

OPEN FLYER MILES

MCI WORLDCOM

EASY TO USE WORLDWIDE

Just dial the WorldCom access number of the country you're calling from.

• Dial or give the operator your MCI WorldCom Card number.

• Dial or give the number you're calling.

• Belgium (CC) • 0-800-1012 • Netherlands (CC) • 0800-022-9122

• France (CC) • 0-800-99-0119 • Spain (CC) • 900-99-0114

• Germany (CC) • 0800-99-0000 • Switzerland (CC) • 0800-99-0222

• Ireland (CC) • 1-800-99-0277 • United Kingdom (CC) • 0800-99-0222

• Italy (CC) • 172-0022 • To call using BT • 0800-99-0222

• To call using CWC • 0500-99-0222

INTERNATIONAL

Culture Clash in a Tony Town as the Rich Corner a Cemetery's PlotsBy Blaine Harden
New York Times Service

EAST HAMPTON, New York — Death has begun to imitate life on the East End of Long Island, where the rich, the gifted and the beautiful gather each summer to calibrate status. The most fashionable place to be dead in the Hamptons is fully booked.

Reservations to rub shoulders for eternity with famous artists and writers like Jackson Pollock and A. J. Liebling are no longer being taken, unless you know the right person.

That would be Courtney Sale Ross, widow of Steven Ross, the entrepreneur who built a family funeral parlor business into Time Warner Inc. When Mr. Ross died of cancer in 1992, his widow bought 110 grave plots, at a cost of \$77,000, at Green River Cemetery in the East Hampton hamlet of Springs. Her expressed purpose: to provide plots for generations of Rosses to come.

Only one deceased person within a reservation has got into Green River in the last eight months. Mrs. Ross gave a plot to the family of Alan Pakula after the award-winning film director died last year in a freak accident on a Long Island highway.

"She just gave the grave site to a friend," said Bert Fields, a lawyer for Mrs. Ross. "I don't think she wants to start giving them out to strangers."

The Ross purchase — a graveyard echo of land grants that have been rattling the Hamptons for decades — gobble up about a quarter of the burial space then available in the 3-acre (1.2-hectare), nonprofit, nondenominational cemetery. Since then, all the remaining plots have been sold. Cemetery managers from across the United States describe the size of the Ross purchase as extremely rare.

"Wow, I have never heard of such a thing in such a small cemetery," said Dick Fisher, publicity director at Forest Lawn Memorial Park, the burial complex with more than a half-million graves in the Los Angeles area.

The "Ross Domain," as some here call the family's graveyard spread, has become a symbol of how the Hamptons elite, often without meaning to do so, can stir up deep-rooted resentment among locals of lesser means.

"There is animosity," said Deanna Tikkainen, a past president of the Green River Cemetery Association. "People with money are buying up the plots, and they are not leaving anything for the

local people."

Green River Cemetery, created in 1902 as a modest burial ground for families of local fishermen, farmers and tradesmen, ran out of space last year. The cemetery became chic in the years after Pollock, the abstract expressionist painter and longtime resident of Springs, was buried there in 1956.

It took 85 years for the cemetery's original two acres to sell out. But when an extra acre was added in 1987, it was snapped up in just 11 years. Mrs. Ross took by far the largest single slice.

While the East End has many cemeteries with space available, any resident of Springs without a plot already bought must now be buried outside the community, said Preston (Pete) Anderson, the president of the cemetery association.

Intent on unlocking the graveyard again for locals, the cemetery is buying another acre, Mr. Anderson said. He said that cemetery trustees, a group of local volunteers who serve two-year terms, passed a bylaw last fall to limit the purchasing power of the rich.

The "Ross rule," as Mr. Anderson called it, limits any buyer to no more than eight graves.

"This is an old-fashioned local

cemetery," said Mr. Anderson, whose parents and grandparents are buried there. "I think the community really did want to hang the previous trustees who sold so many plots to Mrs. Ross."

Mrs. Ross declined to be interviewed for this article, but her lawyer, Mr. Fields, said she bought so many graves because she had a difficult time selecting an "appropriate burial place" for her husband, and, in the future, "she didn't want anyone in her extended family to go through that anguish."

"Keep in mind they live in East Hampton," he said. "They are not just weekenders."

He added that Mrs. Ross "was not aware she was monopolizing the remaining grave sites and certainly would not want to antagonize anyone at a difficult time."

The purchase of the graves was negotiated by Edward Bier, a Time Warner executive who worked for Mr. Ross for many years. Mr. Bier said Mrs. Ross chose the cemetery because she knew and admired many painters who were buried there.

Mr. Bier, who has owned a home in East Hampton for 39 years, said that reports of class resentment over the cemetery were exaggerated.

While squabbles over Hamptons real estate are usually among the rich, the dispute over the Ross purchase at Green River Cemetery tracks a different, and much less publicized, fault line of conflict.

It is the animosity that many working-class residents feel toward the summer people whose expensive cars paralyze traffic and whose indifference to prices has driven up the cost of everything.

Green River Cemetery hardly looks like a Hamptons hangout. Much of it is a lichen-covered confabulation of disordered headstones surrounded by a white rail fence badly in need of paint. The graveyard existed in uncrowded and contented obscurity until several years after Pollock was buried there beneath a 50-ton boulder.

But since then about 30 notable painters and writers have joined Pollock, some with little or no connection to either Springs or East Hampton.

When the writer John O'Hara was buried in the cemetery in 1966, Pollock's widow, Lee Krasner, who was also a celebrated painter and was later buried there, protested. "He's not even a summer rental," according to two biographies of Pollock.

Iraq Snubs UN Review Plan; Radar Sites Bombed

Agence France-Presse

BAGHDAD — Iraq on Sunday branded as "procrastination" a UN Security Council initiative to review its eight-year-old embargo as U.S. and British warplanes targeted air defense sites in the north and south of the country for a second day.

U.S. forces announced that an F-16 fired a missile at an Iraqi radar site north of a city of Mosul in the northern no-fly zone, saying the system "posed a threat" to planes patrolling the area.

In London, the Defense Ministry said British and U.S. warplanes also bombed targets in southern Iraq on Sunday after they "came under threat" from an Iraqi plane in the southern no-fly zone.

The attack came only hours after the Security Council — which had been split over the U.S. and British air strikes on Iraq in December — agreed to convene three review panels on disarmament and long-term weapons monitoring, humanitarian concerns and issues stemming from the 1991 Gulf War

over the Iraqi invasion of Kuwait. But a leadership meeting headed by President Saddam Hussein was followed by an announcement that Baghdad "was not consulted on the formation of these panels and that's why this measure does not concern us."

The work of the United Nations would "take several months," said a statement carried by the official Iraqi news agency, INA, dismissing the move as "nothing more than procrastination and a prolongation of the unjust embargo."

Largest Air Assault Yet

Dana Priest of *The Washington Post* reported earlier from Washington:

U.S. warplanes launched the largest assault against Iraq since Operation Desert Fox on Saturday, hurling a dozen missiles against six air defense sites as part of a low-level, sustained air campaign that has become a pillar of U.S. strategy against Mr. Saddam.

The attack, by six Air Force F-15Es

and a Marine EA-6B, hit missile and anti-aircraft artillery near the northern Iraqi city of Mosul after a U.S. plane was illuminated by Iraqi radar, the Pentagon reported.

It fit into a U.S. military plan to better Iraq's air defense and military communication systems with incremental but repeated strikes considered more acceptable to Arab and European allies than a broader bombing campaign, national security officials explained.

"It's a way of pursuing an objective in a way that everyone's comfortable with," said a senior administration official involved in the decision-making.

"You get things done without rocking any boats," the official said. "If we started a broad bombing campaign people would say, 'What provoked this?'"

The low-intensity, high-tech attacks of recent weeks so far have been aimed only at air defense and related targets, whose destruction lowers the risk for U.S. pilots enforcing the no-fly zones in northern and southern Iraq. At the same time, the officials said, the strikes are a tool that the Clinton administration is using in hopes of advancing its goals of containing Iraq and provoking Mr. Saddam's removal from power.

The administration recently added such a "regime change" to its goals in Iraq, but it is not pinning its main hopes on the fractious Iraqi exile groups that have formed the only known opposition so far. As a result, the officials explained, a relentless if low-level air campaign to chip away at Iraq's air

defenses — and thus undermine its leadership — could be useful in encouraging opposition to Mr. Saddam within the military, as well as making patrols over Iraq safer for U.S. pilots.

Besides diplomatic efforts to maintain Iraq's isolation from its Arab neighbors, the post-Desert Fox bombing that began Dec. 28 has been the most concrete element of the administration's policy. It has involved firing or dropping roughly 60 missiles or precision guided bombs on 13 days in the last month, including dozens of 500-pound (220-kilogram) GBU-12 and GBU-15 precision guided bombs and a handful of 2,000-pound AGM-130s.

Just four days after Operation Desert Fox ended in December, Iraq began violating the no-fly zones, which the U.S. unilaterally imposed after the 1991 Gulf War and which Iraq has never recognized. Iraqi aircraft have flown into the off-limits airspace roughly 70 times since Dec. 23.

But unlike the many incursions into the no-fly zones that went unanswered by allied planes over the years, the administration has now decided to respond to the violations in a sustained way by hitting predetermined targets.

Defense officials said about 20 percent of Iraq's strategic air defense system has been destroyed as a result of Operation Desert Fox and subsequent bombing. Pentagon officials have offered little bomb damage assessment for the individual raids since Desert Fox, and it is not known how many Iraqis have died or have been wounded.

HEARING: Baby Boomers Are Afflicted

Continued from Page 1

watercraft, power tools, even vacuum cleaners. These devices produce decibel levels that can be dangerous to the ears over time.

For the estimated 28 million Americans with a hearing loss, noise is a leading cause, experts say. Once that would have traced back to the machinery din of mills and factories, but federal regulations have helped protect workers in industrial settings.

Now the hours away from work are more of the problem.

Dick Melia, of Arlington, Virginia, never paid much attention to how annoying the lawn mower or tools were that summer during graduate school when he worked for a contractor. The same goes for the civil rights demonstrations he participated in during the 1960s, and later, the pro basketball games at which he cheered. He would leave the arena with his ears ringing.

But during his 40s, he noticed other things: how he would replay his voice mail several times to get all of a message, how he would race to keep up in discussions, wondering what words he had missed.

Then, one night at his office, a fire broke out. The alarm went off. "I never heard it," Mr. Melia recounted.

His prostration ended. At 50, he got hearing aids. "There is a problem of

stigma," said Mr. Melia, who directs disability and rehabilitation research in the U.S. Department of Education. "There is something about hearing aids and the way society over the years has characterized hearing loss."

For one, the subject is freighted with fears about growing old. But some scientists and audiologists question whether diminished hearing is an unavoidable consequence of aging, or rather the cumulative assault of a capacious world.

Both loud, sustained sound and extreme, sudden sound can damage and ultimately destroy the delicate hair cells in the inner ear that translate sound waves into nerve impulses. High-frequency sounds are usually the first casualty — consonants such as s and f and children's and women's voices.

Despite many people's refusal to admit they need help, sales of hearing aids are booming. Nearly 2 million were purchased last year, almost 25 percent more than in 1996, at a cost of \$600 to \$3,100 each.

One buyer in 1997 was President Bill Clinton, who attributed his situation to an adolescence spent playing in school bands and rocking at concerts.

According to staff members, Mr. Clinton wears his hearing aids sporadically. He is most likely to insert them for ceremonies or political gatherings, where he finds it harder to distinguish sounds.



Frame makers in Jordan preparing portraits of Crown Prince Abdullah on Sunday as the country prepares for him as deputy for the ailing king.

U.S. Fears for Mideast After King Hussein GoesBy Philip Shenon
New York Times Service

"This is someone of enormous integrity and courage who believes deeply in broadening the peace process, and who has been prepared to take risks for that — political and personal."

Another senior administration official said: "King Hussein has led his country for almost half a century, most of that time as a good friend of the United States and a vital proponent of Middle East peace. And it's strange and frightening to think of the peace process without him."

The king's illness has complicated the peace effort by unsettling Israel's political and military leaders as their negotiations with the Palestinians are gridlocked and as Israel prepares for national elections.

Despite Jordan's humiliating defeat in the 1967 war, when the Israelis captured East Jerusalem and the West Bank, the king has been that rare thing for Israel in recent years: a reliable friend in the Arab world.

Since offending Arab neighbors by signing a peace agreement with Israel in 1994, he has done more than any other Arab leader to help lift Israel from its pariah status.

President Bill Clinton was desperate last October to avoid breakdown of a summit meeting in Maryland between Prime Minister Benjamin Netanyahu of Israel and Yasser Arafat, the Palestinian leader. So he asked King Hussein to leave his hospital bed in Minnesota and join in the negotiations. In announcing an interim peace agreement three days later, Mr. Clinton said the king was "at the heart of this success."

The king, who came to power in 1952, when he was only 16, has brought Jordan prominence all out of proportion to its size and economic and military might. With a population of 4 million, Jordan is an impoverished, largely landlocked, resource-poor nation surrounded by oil-rich neighbors — some threatening, notably Iraq to the east.

Clinton administration officials and scholars who have studied Jordan say they are convinced that Crown Prince Abdullah is committed to the policies of his father, especially his commitment to a comprehensive peace in the Middle East.

Abdullah and the other children have been raised by a father who has for his entire life been committed to peace," said Judith Kipper, a Middle East specialist at the Council on Foreign Relations who knows the king and his family well. "I don't think Abdullah wanted power. I don't think he really expected it. But he is absolutely prepared for it."

Mr. Berger shared Ms. Kipper's appraisal of Prince Abdullah, who was educated in part at Georgetown University.

Prince Abdullah, who has spent his career in the military, has little background in politics or economics.

AIDS: Virus Is Traced to Chimp Subspecies

Continued from Page 1

other scientists said. Although there have long been clues that HIV-1 came from chimpanzees, how to connect the link has been one of the biggest mysteries in AIDS. But, as exciting as the discovery is to the scientists, their enthusiasm has been dampened by another discovery: the subspecies is being slaughtered to "the brink of extinction" in its natural habitat in West and Central Africa, Dr. Hahn said.

The researcher is now leading efforts to publicize the scientific dangers that she believes would result from the chimpanzee's extinction.

Dr. Anthony Fauci, the head of the U.S. National Institute of Allergy and Infectious Diseases, said Dr. Hahn's study was "important and quite an interesting advance" and opened a new avenue of research.

Dr. Fauci said in an interview that his institute would finance research on the simian virus. One aim will be to determine whether the different outcomes of infection in humans and chimpanzees result from tiny changes in the genetic makeup of the virus or the host. Another aim will be to understand why the chimpanzee's immune system appears to resist the damaging effects of the AIDS virus while the human's is susceptible.

Dr. Harold Jaffee and Dr. Thomas Folks, two leading AIDS researchers at the Centers for Disease Control and Prevention, said in interviews in Atlanta that determining the source of the AIDS virus might also help scientists learn how to identify novel microbes earlier and thus prevent similar diseases from

becoming epidemic.

Since the recognition of AIDS in 1981, Dr. Jaffee said, scientists have asked, "If this kind of transmission happened in the past, is it continuing to go on?"

The latest findings might lead to new tests to discover viruses in nature that could cause human disease. As people disturb more and more animal habitats around the world, scientists say, there is a growing risk that they will be exposed to previously unknown disease agents.

Transplanting animal organs into humans, should it come into wider use, would also be an avenue for infection.

"That is everyone's nightmare, that there is another virus out there that either could be or has been transmitted to humans that we cannot detect with current methods," Dr. Jaffee said. "No one wants to miss detecting the next HIV epidemic."

Dr. Fauci's paper is due to be published in this week's issue of the journal *Nature*, said, "My research interest for the last 10 years has been the origin and evolution of this entire class of viruses, not just the human viruses but also the primate cousins."

Modern laboratory techniques make it possible to draw conclusions from genetic maps developed from a small number of chimpanzees.

Nevertheless, the number of naturally infected chimpanzees in captivity is too small and does not permit studies of how many chimpanzees are infected in the wild and how the virus is transmitted.

Presumably, transmission occurs through sexual intercourse, as in humans.

Proof will require studies in nature.

Precisely why the AIDS epidemic came when it did was not known.

Continued from Page 1

who have written or spoken on the subject said that a trial would have to wait until the president had left office.

Lawyers in Mr. Starr's office have been poring over the record of debates within the office of Leon Jaworski, the Watergate special prosecutor, over whether to indict President Richard Nixon, both before and after Mr. Nixon resigned the presidency in 1974, the associates said. To do that, said Mr. Starr's lawyers scoured autobiographies, including Mr. Jaworski's, and obtained copies of prosecution memorandums in the National Archives.

These discussions in Mr. Starr's office come at a highly sensitive time. Several Senate votes on procedural issues last week made it all but certain that the Senate would not muster the two-thirds majority, 67 votes, required to convict Mr. Clinton on two articles of impeachment and remove him from office.

Mr. Starr and his prosecutors have had no communications with the House managers or the White House about the issue. Mr. Starr's lawyers and Mr. Starr's prosecutors in late 1997. Mr. Balkay denied that there was collusion between his office and Mrs. Jones's lawyers.

EUROPE

Amid Russia's Show of Reform, Another Treason Trial Stirs ConcernBy Michael R. Gordon
New York Times Service

VLADIVOSTOK, Russia — In handcuffs, Grigori Pasko was rushed past a small knot of fellow reporters who gathered outside the military courtroom, hoping to observe his trial. "We will fight!" he shouted defiantly, as two policemen hauled him away.

Then the courtroom door slammed shut. Reporters were shoved away. In a scene reminiscent of trials of dissidents in the old Soviet Union, one of the new Russia's most notorious treason trials was under way.

After reporting about the dumping of military waste at sea, the 37-year-old captain and military correspondent has been charged with disclosing some of the state's most sensitive secrets. Denied bail, he has already spent 14 months in a tuberculosis-infested prison. If convicted, he could stay in jail for another 20 years.

On the surface, Russia is a rancorous democracy. Politics is a verbal slugfest. The constitution guarantees free expression. Periodicals and broadcasting outlets produce a cacophony of clashing opinions and vested interests.

But there are still limits on free speech, especially where the military is concerned.

Mr. Pasko has emerged as the vivid test of Russia's still unfinished struggle

to overcome the legacy of official secrecy, late-night searches and whimsical persecutions.

His trial comes against the background of the arrest in St. Petersburg of Alexander Nikitin, a retired navy officer who researched radioactive contamination caused by Russia's Northern Fleet.

Vakhta, meaning Battle Watch, the newspaper of Russia's Pacific Fleet, when he was arrested.

After the collapse of the Soviet Union, Russian leaders trumpeted the need for a no-holds-barred look at the nation's past. The Russian Navy was dumping weapons and nuclear waste at sea, and Mr. Pasko set out to expose it.

A navy journalist who reported the dumping of military wastes is charged with divulging secrets, 'a test of whether there is really freedom of speech in Russia.'

But this drama in Vladivostok is being played out more than 8,000 kilometers (5,000 miles) from the media of Moscow, and features unrepentant former KGB officials and the raw politics of Russia's Far East.

A closed city in Soviet times, off limits to foreigners or to Soviet citizens without special permission, Vladivostok is now an open port, a neighbor to China, Japan and the two Koreas, its rife with intrigue.

"This is a test of whether there is really freedom of speech in Russia," said Alexander Tkachenko, head of the Russian PEN Center, which lobbies for free expression in Russia.

A career navy officer with the outward dash of a matinee star, Mr. Pasko was working as a reporter for Boyevaya

to the Federal Security Agency, successor to the KGB.

When Mr. Pasko left for a business trip to Japan in November 1997, customs officials seized some of his documents. When he returned, he was arrested at the Vladivostok airport and charged with selling secret information.

That night, the Federal Security Agency raided his modest apartment and confiscated his computer, fax machine and the family's car.

"When *glasnost* began, there was a brief period when it seemed there could be complete freedom of speech," Galina Morozova said, referring to the greater openness allowed in Russia under Mikhail Gorbachev in the early 1990s. "But the security organizations did not disappear and gradually the screws began to tighten again. Grigori did not notice that moment when the policy began to shift in the opposite direction."

Nikolai Satskov, a senior Federal Security Agency official for the Pacific Fleet, told a Vladivostok newspaper that the basic strategy was to try Mr. Pasko as an officer who had divulged secrets, not as a journalist who had uncovered a environmental scandal.

Mr. Pasko's lawyers say the arrest may have little to do with reports on the navy's nuclear waste dumping. Rather, they speculate, it may be an attempt to stifle the reporter after he began to in-

quire into the alleged theft by local officials of Japanese aid for processing radioactive waste.

The specific charges in the 10-point indictment against Mr. Pasko are classified. His guilt or innocence will be announced following a closed trial by the judge of the military court and two

officers in the border guards who serve as lay judges. In the similar case of Mr. Nikitin, the Norwegian environmental organization Bellona, which Mr. Nikitin supplied with information, lobbied hard on his behalf. Although he has yet to be formally acquitted, he was released on bail after 10 months.



A FAMILY VALUES DAY — Some of the 100,000 or more demonstrators who marched in Paris on Sunday to protest government-backed legislation that would give legal status to unmarried couples.

Tory Is Suspended Over Bag's Contents

LONDON — The Conservative Party suspended a senior member of the European Parliament from its Strasbourg group Sunday after airport security officers found cannabis and an explicit gay sex video in his suitcase.

Tom Spencer, chairman of the Parliament's Foreign Affairs Committee, paid an on-the-spot fine of £550 (\$905) to customs authorities after the bag was opened at London's Heathrow Airport when he returned Tuesday from France.

A spokesman for the opposition Conservatives said the party endorsement had been taken away, at least temporarily, "in the light of press reports in the last 24 hours." The party chairman, Michael Ancram, will ask the Conservatives' management board Monday to order an inquiry, he added. (Reuters)

Mont Blanc, where they had been stuck for four days. Both climbers were suffering from hypothermia, the authorities said, with nine in serious condition.

A third Briton died Sunday from injuries suffered in an avalanche the day before while he was snowboarding near the Alpe d'Huez ski station.

Both incidents were the result of high winds and heavy snowfalls, the authorities said.

Ex-IRA Man Seized

BELFAST — A prominent former IRA bombmaker was kidnapped Sunday, hours after reports were published that he feared Irish Republican Army members were gunning for him.

Paddy Fox, 29, spent five years in prison after being caught with a 1,000-pound (450-kilogram) van bomb in 1991. He opposed the IRA's 1997 cease-fire and the decision last year by the group's Sinn Fein political wing to accept a peace accord.

The abduction was apparently the latest in an accelerated campaign of IRA attacks on dissidents. Eamon Collins, a former intelligence officer who turned against the organization, was stabbed to death last week. (AP)

Mont Blanc Rescue
CHAMONIX, France — Rescue workers plucked two British mountain climbers Sunday from a flank of

Azerbaijan, Alone With Much Oil, Wants U.S. Base

By Stephen Kinzer
New York Times Service

ISTANBUL — With foreign powers competing for influence in the soon-to-be-rich oil nations surrounding the Caspian Sea, Azerbaijan — potentially the richest of them — has made a startling offer — It wants the United States to open a military base on Azerbaijani territory.

The offer could give the United States its first permanent military presence in the former Soviet Union. Even if the base does not come about, the offer suggests that Azerbaijan, where U.S. oil companies have invested billions of dollars, is eager for a U.S. military partnership.

In addition to giving the United States greater influence in the Caspian region, any such partnership might draw the United States into alliances with undemocratic governments.

Azerbaijan's autocratic president, Heydar Aliyev, returned home Saturday

after 13 days in a Turkish military hospital, where he was treated for what was described as acute bronchitis. In his absence, his chief foreign affairs adviser, Vafa Guluzade, has given interviews asserting that Azerbaijan wanted a military protector.

Mr. Guluzade said he was prompted by evidence that Russia was sending advanced weapons to Armenia, Azerbaijan's neighbor and historic foe. According to Western intelligence agencies, the shipments include MiG-29 fighters as well as the S-300 radar and anti-aircraft system.

"Azerbaijan is under a big threat from Russia," Mr. Guluzade said in an interview. "They are waiting to use the Armenians to strike against us. I think Turkish and American military bases would be welcomed here. I'm not saying they will be here in 20 minutes, but they will come."

American officials have not received a formal request for the opening of a base in Azerbaijan. It may come when

President Aliyev visits Washington later this year.

The initial U.S. response might be described as intrigued but cautious.

"A real American base in Azerbaijan is impractical, especially since there's no direct threat to American interests or any active enemy to defend against," said a military planner. "If they were to request military assistance or military advisers, that would be a different thing."

"There would even be the possibility of taking over an old Soviet base and using it as a joint American and Azerbaijani facility. If anything is going to be done out there, that would probably be the way to go."

This would be a formula similar to that for basing U.S. troops and military aircraft in Turkey. The largest concentration of Americans in the region is at Incirlik in the south, but officially that is a Turkish base.

Russia considers the Caucasus region as its sphere of influence. It has troops in

both Armenia and Georgia and resents Azerbaijan's unwillingness to accept them.

Russian leaders are also seeking to persuade Azerbaijan to export the bulk of its oil through a pipeline across Russian territory rather than choosing a route across Turkey, as is favored by the United States.

Since the collapse of the Soviet Union, the hostility between Armenia and Azerbaijan has broken into the open.

Russia and Armenia supported a successful uprising by ethnic Armenians in the Azerbaijani enclave of Nagorno-Karabakh in the early 1990s, and the enclave is still controlled by ethnic Armenians. No real progress has been made on settling that dispute.

Even before the surprise offer from Azerbaijan, some experts on Caspian politics expressed unease at the close ties that are emerging between Washington and Caspian area governments, most of which have been widely criticized for corruption and lack of democracy and respect for human rights.

The Future in Life Sciences

Hoechst

Yes, it's only a vision. But what if it came true? Heart and circulatory diseases are still the major cause of death. That's why the scientists at Hoechst Marion Roussel, our pharmaceutical company, are putting their hearts into research and development to find new ways of improving the lives of cardiac patients. So that some day the only cure necessary for an aching heart will be a smile on the face of a loved one.



Imagine lovesickness being the only thing that can cause a heartache.



Hoechst Marion Roussel is the pharmaceutical company of Hoechst, an international group of companies spearheading innovation in Life Sciences.

Hoechst AG, D-65926 Frankfurt, www.hoechst.com

EDITORIALS/OPINION

Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Kosovo Indicators

Once again NATO leaders are talking tough on the subject of Kosovo. They did so last October, but settled for an inadequate deal that quickly and predictably unravelled. Now some encouraging signs suggest that the administration finally understands that only standing up to the Serbian dictator Slobodan Milosevic can produce a long-term peace. But whether the administration will actually push for that lasting solution or will again claim victory while accepting something less remains uncertain. Here are a few indicators to watch in coming days.

With NATO insist that Serbian troops, police and paramilitary forces withdraw from Kosovo? This is the single most essential condition. Last fall the allies claimed such a goal, but when Mr. Milosevic resisted, NATO relented. Serbia was permitted to keep some 20,000 troops and probably never drew down even to that generous limit. This time has to be different. Serbian forces have spent the past year waging war against the civilian population of Kosovo. There can be no peace as long as they remain.

Will NATO deploy ground troops? As Serbian forces withdraw, American and other soldiers must be deployed to provide stability. NATO troops can serve as guarantor that Serbian forces,

— THE WASHINGTON POST.

East Timor's Time

Through its 20-some years under the murderous military occupation of former Dutch Indonesia, formerly Portuguese East Timor gradually drew international attention to its struggle for independence. Now, with a new civilian government in Jakarta pleading for international aid, Indonesia is heeding to the territory's appeals. In the latest turn, President B.J. Habibie's government bravely announced that it is bolding out a prospect of "regional autonomy" plus" for East Timor and, if that is rejected, its "release" to independence.

It is no time to be overconfident about a democratic outcome in Timor. Certainly it helps that the Indonesians are making use of the international support structure — Indonesian-Portuguese talks, a UN mediator, American encouragement of civilian rule — devised to assist the passage. But there still seems to be some hesitation to let go among the main political parties in Indonesia as well as in the military.

For one thing, Indonesians have some apprehension, and with some reason, about setting an autonomy/in-

— THE WASHINGTON POST.

Yes to TV in the Senate

With the final debates and deliberations in President Bill Clinton's impeachment trial not far off, the television news broadcaster CNN has rendered an important service by reminding the Senate of its constitutional duty to conduct the critical remaining portions of the trial in public.

To date, most of the debate about whether impeachment proceedings should be open or closed has centered largely on traditional Senate practices, with too little attention paid to the constitutional and public-interest arguments raised by Senators Tom Harkin and Paul Wellstone.

In a brief-like document distributed to all 100 members of the Senate on Friday, CNN makes a powerful case that when the Senate confronts the solemn issue of whether to depose a duly elected president, the First Amendment requires openness.

The application to the Senate — prepared for CNN by Floyd Abrams, a lawyer who has also worked for The New York Times on First Amendment cases — does not challenge the Senate's power under Article I, Section 3 of the U.S. Constitution to exercise control over how impeachment trials are conducted. Nor does it dispute that impeachment debates and deliberations have historically been conducted in secret. But it notes that American government and society have changed since the Senate held closed hearings in the trial of President Andrew Johnson. Those changes include what Mr. Abrams terms the "architecture" of free-speech law.

Through dozens of rulings in the past several decades, the Supreme Court has recognized that the First Amendment extends beyond barring suppression of speech by individuals or assaults on a free press, to pro-

— THE NEW YORK TIMES.

Other Comment
Royals Can Be Bad for You

Television news bulletins had to drop historic footage of the Prince of Wales and Camilla Parker Bowles in case flashguns going off outside the Ritz induced epileptic fits in viewers. It is time the media acknowledged the truth and introduced a warning based on those of the tobacco industry: Reading and watching royal stories can seriously damage your health.

— The Independent on Sunday (London).

Japan, for One, Is Finally Learning to Say 'No'

By Marshall Auerback and Patrick Smith

NORFOLK, Connecticut — Ten years ago, Westerners were surprised by the implicit anti-Americanism of "The Japan That Can Say 'No,'" that infamous tome co-authored by Akio Morita, then chairman of Sony, and a neo-nationalist firebrand named Shintaro Ishihara.

Today Japanese leaders respond to U.S. economic prescriptions with "no's" just as self-confident as those proposed in the best-selling book.

The book was a stunner even among the Japanese. While the nation's economic power was then at its height, even in government one found few Japanese ready to begin disengaging from the West. The psychology of dependence was still prevalent.

Times have changed. But globalism's triumphalist proponents, having failed to grasp the message a decade ago, are ill-prepared for a more assertive Japan no longer willing to defer reflexively to the West.

Consider a speech on Jan. 22 by a Finance Ministry bureaucrat, Eisuke

Sakakibara's remarks were a gloves-off attack on the control now exerted in world economic affairs by the IMF and the U.S. Treasury. "The Washington consensus," Mr. Sakakibara asserted, consists of a simplistic adherence to "free markets and sound money," an ideology that amounts to "the blind application of a universal model."

The speech's title captures the essential note of defiance: "The End of Market Fundamentalism."

Mr. Sakakibara is neither a maverick nor a minor functionary. He is deputy finance minister for international affairs and known as "Mr. Yen" for his role in managing the currency. His remarks can hardly be passed off as those of a man who just doesn't get it.

He did not bother with the usual Japanese diffidence. He delivered his broadside in English at the Foreign Correspondents' Club, a Tokyo forum from which it was sure to get maximum coverage in Western newspapers.

"In the early 1990s it may have looked as if the United States could come close to having a financial empire," Mr. Sakakibara asserted, "but that is certainly not the reality we face at the end of the 20th century."

There is no postwar precedent among the Japanese for so audacious a challenge to American thinking. The critique is all the more noteworthy for arriving when Japan is widely considered the sick man of the Group of Seven industrial nations.

"There are as many varieties of capitalism as Heinz has pickles," the American economist Hy Minsky wrote long before globalism's ascendancy. Mr. Minsky also argued that sound economic policy flowed from strong institutions, and not the other way around. That is Mr. Sakakibara's point in calling for neoliberals in the West to respect "systemic diversity" in the global financial structure.

The central premise of the policy

reforms that Washington incessantly demands of Tokyo is that Japan's economic structures and institutional arrangements are hopelessly outdated. In this case it is the other way around: It is Washington that is behind the times in presuming that the rest of the world wants only to follow it.

"American dominance, which seemed assured after the demise of socialism, seems to be declining on both political and economic grounds," Mr. Sakakibara said, "partly because of the unification of Europe and partly because of potential anti-Americanism in various parts of the world."

The implication should trouble any committed globalist: Is Japan the only nation that is learning to say "no"?

Mr. Auerback is a partner at Vennero Associates, a global investment advisory firm. Mr. Smith, a former correspondent in Japan, is author of "Japan: A Reinterpretation." They contributed this comment to the International Herald Tribune.

The Global Economy Needs New Rules and Institutions

GENEVA —

The Brazilian financial crisis is another harsh reminder that piecemeal measures, such as the \$41.5 billion international aid package hurriedly arranged for it in November, are no substitute for a solid structure to sustain the globalization process and ensure that nations fully and equitably reap its benefits.

If the Group of Seven summit in June fails to respond convincingly to the challenge thrown open by waves of economic turbulence in East Asia, Russia and now Brazil, the credibility of a global economy of free flows of trade and capital will be seriously dented.

The Brazilian crisis can seem to be of a domestic nature — a huge public-sector deficit running at 8 percent of GDP, and consequent lack of confidence in the government's ability to meet its commitments.

Confidence was further shattered by domestic political volatility and maneuvering. The climax was reached when Inmar Franco, the newly elected governor of the state of Minas Gerais, announced a temporary moratorium on the state's \$15 billion debt to the central government.

However, in a globalizing world, into which Brazil has been increasingly integrating, domestic problems can hardly be contained within borders.

True, unlike the East Asian countries, Brazil is not short of foreign exchange. Although some \$7 billion left the country in November and December, it still has a large reserve of about \$35 billion (not counting the international aid package of \$41.5 billion). Nor does it have an unduly high level of short-term foreign debt.

But Brazil's domestic debt is closely linked to foreign fund-

By Bimal Ghosh

ing through private banks and purchase of Treasury bills, and its currency was clearly overvalued. Once confidence was shattered, foreign investors were asking for higher and ever increasing interest rates to cover their potential risks. The rates, which reached nearly 40 percent, were unsustainable, creating a vicious circle of weakening international confidence.

Not surprisingly, during the first fortnight of January more than \$2.5 billion left the country. Brazil's response to the looming crisis, a 9 percent devaluation of its currency announced on Jan. 13, seems to have been a massive shock wave through world financial markets.

Since then the jitters have eased and relative calm has returned to the financial markets, but continuing fear of financial contagion adds to the fragility of the world economy. The failure of the gamble to meet its commitments.

Confidence was further shattered by domestic political volatility and maneuvering. The climax was reached when Inmar Franco, the newly elected governor of the state of Minas Gerais, announced a temporary moratorium on the state's \$15 billion debt to the central government.

However, in a globalizing world, into which Brazil has been increasingly integrating, domestic problems can hardly be contained within borders.

True, unlike the East Asian countries, Brazil is not short of foreign exchange. Although some \$7 billion left the country in November and December, it still has a large reserve of about \$35 billion (not counting the international aid package of \$41.5 billion). Nor does it have an unduly high level of short-term foreign debt.

But Brazil's domestic debt is closely linked to foreign fund-

Get Rates Down in Brazil, Don't Prop Up the Real

By Floyd Norris

NEW YORK — Close your eyes and it feels like Russia all over again. Brazil, the largest economy in its part of the world, seems to be steering rudderless from crisis to crisis.

Its president, serving his second term, is seeing his international reputation as a former erode. Capital is fleeing and state governments are defying the central authority by refusing to pay their bills. As

the government faces fiscal crisis, its only solution seems to be to push interest rates to ridiculously high levels.

So it was in Russia last summer, as that country lurched toward default. In retrospect, the

sign that things were out of control came when the government was unable to borrow rubles, at least not without paying stratospheric interest rates.

Now the same thing is happening in Brazil, whose national government recently tried to issue about \$420 million worth of bonds denominated in reals but linked to the dollar to protect investors. The bonds did not sell, because bidders were demanding interest rates of up to 35 percent — about the market rate that Brazil's own central bank had established in its desperate effort to support the real.

That will be most unfortunate, especially at a time when the United States and the European Union seem finally to be coming closer on the opening of a new round of trade liberalization under the aegis of the World Trade Organization. At

out devaluing. When that failed, it tried a little devaluation, then a bigger one. It said it would let markets fix the real's value, but then intervened. It pushed interest rates to the sky and then balked at paying such rates.

The government and the IMF face the difficult task of trying to figure out what to do next. There are no guarantees that even serious fiscal reform will bring investors back.

But it is clear what has not worked. High interest rates are like some drugs: In moderate doses they can cure, but bigger doses kill. The country must get rates down. If that leads to a further fall in the real, so be it. That will hurt those who rely on imported goods, but it will also make Brazil's exports more competitive.

It might be that the real, which now appears undervalued, would not fall very far, or at least not for very long. Capital is fleeing because investors fear that the government will default. But many Brazilian stocks have held their international value, as some investors bet that those companies will prosper when things calm down.

Unlike in Russia, the banking system is reasonably strong. Unlike in Asia, most corporations are not burdened by foreign currency debt that they will be unable to pay after devaluation.

International aid will be needed to offset the damage to the poorest Brazilians and to help some companies that will be in deep trouble as a result of the local recession and the currency devaluation. The priority now should be to keep the money available for those needs — not for propping up the currency.

The New York Times.

Another Royal Mistake in Jordan?

By Jim Hoagland

WASHINGTON — King Hussein of Jordan has balanced the books by abruptly and with public cruelty throwing his loyal brother Hassan out of the line of succession. He reminds history that his enormous virtues have always been matched by large flaws.

For all the manifest courage and elegant compassion with which he managed Jordan's affairs, King Hussein has always been capable of screwing things up royally.

In 46 years of ruling the desert kingdom, he confided to his family by the British as a consolation prize, he got one big thing right: He understood that he had to work hard to maintain his regime's legitimacy with a population that his family had no historic claim to rule. Nothing went uncalculated or taken for granted in the Hashemite kingdom.

But this also led to King Hussein's biggest failing: his incessant pursuit of whatever he concluded was the key to the moment for survival. He followed far more often than he led. He marched along with the Arab Street or his American sympathizers time after time straight into disaster.

He was prodded by others into needlessly and treacherously attacking Israel in 1967, getting on the CIA payroll in the 1970s, and allying himself alternately with Syria's Hafez Asad and Iraq's Saddam Hussein in the 1980s.

Only in his final years and after trying everything else did he magnanimously make formal peace with Israel.

These strands of his history — the CIA, Iraq, Israel and the rest — run through the family drama that saw the king, 63 and mortally stricken with cancer, denounce his brother Hassan, 51, and name his son Abdallah as his successor. It was a

decision "to wrest the title of crown prince from an experienced statesman and hand it to a 36-year-old career soldier who has never had a political role," as The New York Times reported from Amman.

Justice needs to be done to the king: He acted within the Jordanian constitution. He should have a better sense of the kind of ruler the unknown Abdullah will become than the rest of us. And a case can be made for ensuring continuity and vigor in rule by moving to the next generation now.

But the public letter that King Hussein issued to justify his decision implausibly and bitterly attacked Prince Hassan, who served patiently and with dignity as heir to the throne for 34 years. Prince

Hassan was accused of treachery, spreading gossip and other heinous but undocumented crimes. King Hussein's unbalanced letter leaves the impression that he invented political reasons to justify siding with one branch of his family in a messy domestic squabble.

He was prodded by others into needlessly and treacherously attacking Israel in 1967, getting on the CIA payroll in the 1970s, and allying himself alternately with Syria's Hafez Asad and Iraq's Saddam Hussein in the 1980s.

Only in his final years and after trying everything else did he magnanimously make formal peace with Israel.

These strands of his history — the CIA, Iraq, Israel and the rest — run through the family drama that saw the king, 63 and mortally stricken with cancer, denounce his brother Hassan, 51, and name his son Abdallah as his successor. It was a

decision "to wrest the title of crown prince from an experienced statesman and hand it to a 36-year-old career soldier who has never had a political role," as The New York Times reported from Amman.

Justice needs to be done to the king: He acted within the Jordanian constitution. He should have a better sense of the kind of ruler the unknown Abdullah will become than the rest of us. And a case can be made for ensuring continuity and vigor in rule by moving to the next generation now.

But the public letter that King Hussein issued to justify his decision implausibly and bitterly attacked Prince Hassan, who served patiently and with dignity as heir to the throne for 34 years. Prince

Hassan was accused of treachery, spreading gossip and other heinous but undocumented crimes. King Hussein's unbalanced letter leaves the impression that he invented political reasons to justify siding with one branch of his family in a messy domestic squabble.

I once heard the king speak of the "never-mindness" of his fellow Arab rulers as they rushed to act on their prejudices and fears, whatever the consequences. He has shown that same quality in tearing down Prince Hassan, a decision that Mrs. Albright has thoughtlessly supported and may well come to regret.

The Iraqis are today conducting a serious destabiliza-

—

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1899: Bismarck Zeal

BERLIN — A meeting, attended by fifty representatives from all parts of the Empire, has been held at Leipzig, under the presidency of Professor Hesse, member of the Reichstag, to arrange for the erection of a Bismarck building, to contain all possible documents, records and mementoes of the great Chancellor. There is no doubt that this scheme will materialize. The Bismarck fervor in Germany seems to know no diminution, but on the contrary appears to augment.

1924: Deadly Gases

LONDON — Professor Charles S. Gibson, chief advisor to the Ministry of Munitions' Chemical Warfare Committee, said in an interview: "Gases in the next war will be far more deadly than during the Great War, and no international ban can prevent

their manufacture. Gas is one of the most effective weapons in war as proved in the World War. It is far more humane than explosives, as gas, while putting combatants out of action, kills far less. The best chance for peace is that the weapon will be so frightful that nations will be deterred from going to war."

1949: Rationing Eased

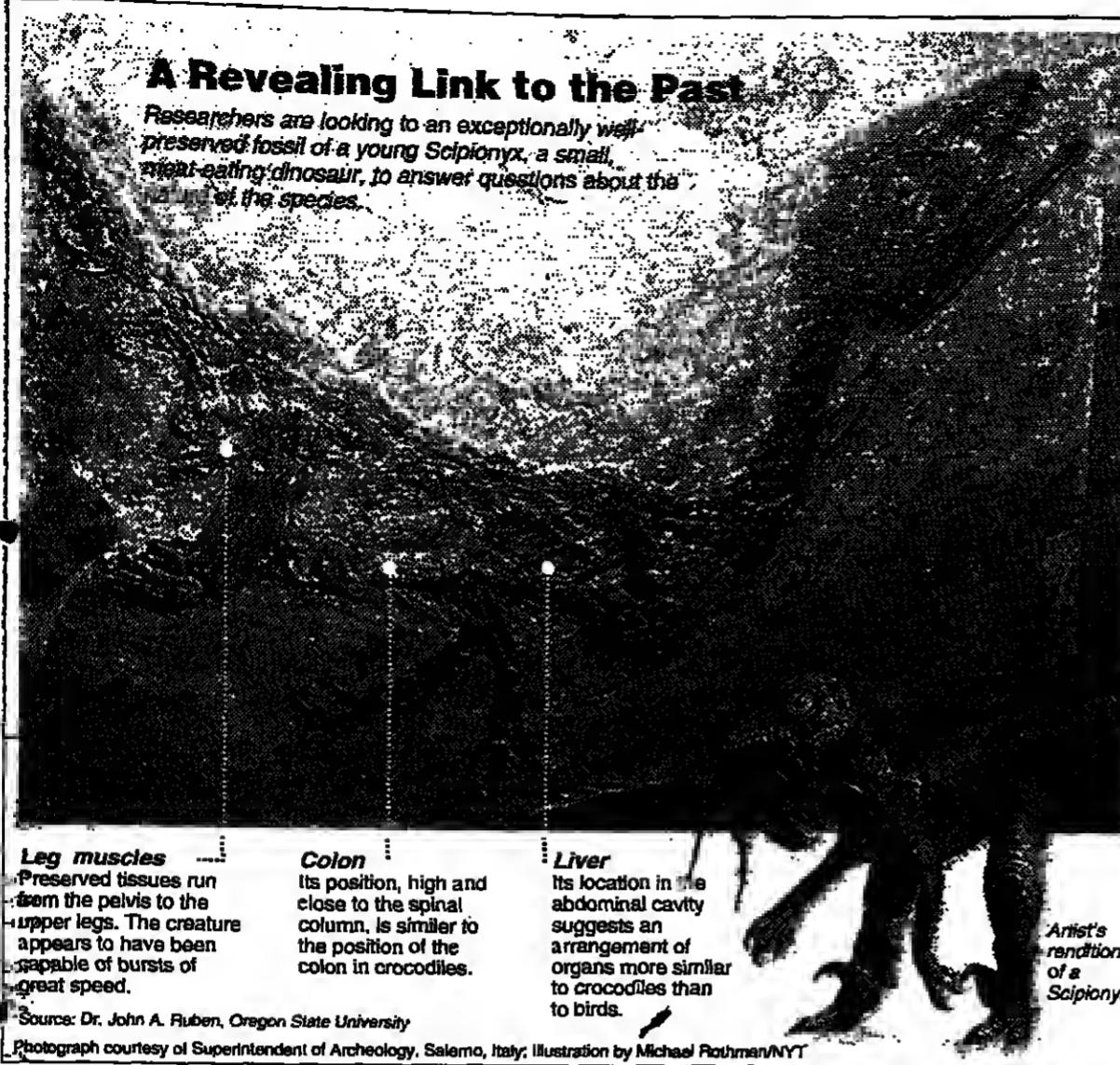
LONDON — Major relaxations in Great Britain's clothes-rationing system, instituted in 1940, were announced. Beginning tomorrow [Feb. 1], men's suits (except gabardines), sport jackets and trousers, women's suits and woven wool dresses, and men's and women's overcoats will come off the ration. Harold Wilson, President of the Board of Trade, said in his announcement in the House of Commons that he was "not yet in a position to abolish rationing altogether."

HEALTH/SCIENCE

TOMORROW'S
SMILE

A Revealing Link to the Past

Researchers are looking to an exceptionally well-preserved fossil of a young *Scipionyx*, a small meat-eating dinosaur, to answer questions about the biology of the species.



Leg muscles Preserved tissues run from the pelvis to the upper legs. The creature appears to have been capable of bursts of great speed.
Colon Its position, high and close to the spinal column, is similar to the position of the colon in crocodiles.
Liver Its location in the abdominal cavity suggests an arrangement of organs more similar to crocodiles than to birds.
Artist's rendition of a Scipionyx

Source: Dr. John A. Ruben, Oregon State University
 Photograph courtesy of Superintendent of Archaeology, Salerno, Italy; illustration by Michael Rothman/NYT

The Anatomy of a Dinosaur

By Malcolm W. Browne
 New York Times Service

NEW YORK — By shining ultraviolet light on the fossil of a baby dinosaur that had collected dust in a file drawer in Italy for 15 years, paleontologists have discovered astonishingly well-preserved anatomical details that have rekindled one of the most intense debates in paleontology.

The discovery has cast doubt on two widely held theories: that dinosaurs were cold-blooded and that they were the ancestors of birds.

Many paleontologists in recent years have come to accept the theory that at least some dinosaurs could maintain steady body temperatures by themselves. Many paleontologists are also convinced that birds are closely related to dinosaurs, probably as their direct descendants.

Part of the evidence for this is the striking similarity of the skeletons of the baby dinosaur recently examined to those of birds.

The baby dinosaur recently examined was first found embedded in a limestone formation north of Naples in 1983. Last year, after its rediscovery in the Archaeological Administration in Salerno, paleontologists who examined it were astonished to find that much of its flesh, including many of its internal organs, had been preserved in fossil form — an extraordinary discovery. The unique fossil, named *Scipionyx samniticus*, has by far the best preserved soft organs of any dinosaur ever found, scientists agree.

Since the initial investigation, which was reported a year ago, a team of paleontologists headed by John Ruben of Oregon State University at Corvallis and Willem Hillenius of the College of Charleston, in South Carolina, has examined the fossil under ultraviolet radiation. Last month the journal *Science* published the result: a spectacular picture in fluorescing colors, in which the little animal's organs stand out as vividly as color-coded engineering diagrams.

"It's amazing," said Larry Martin, a paleontologist at the University of Kansas in Lawrence. "It's essentially a diagram that's been dissected."

Paleontologists who have seen the ultraviolet pictures of *Scipionyx* agree that they are uniquely revealing. But experts are far from agreeing on the interpretation of the images.

Mr. Ruben and his colleagues argue

"It seems clear," Mr. Ruben said in an interview, "that a bird's radically different system of breathing, in which air is continuously drawn through its lungs, could not have evolved from the hepatic-piston system we see in this theropod dinosaur."

The indications, however faint, that *Scipionyx* had diaphragmatic muscles to assist its liver piston in breathing suggest that the animal may have been an ectotherm (cold-blooded), but was capable of sustaining oxygen consumption rates and activity levels beyond those of modern reptiles, Mr. Ruben said.

These views were strongly endorsed by Alan Feduccia, an ornithologist at the University of North Carolina, who has long argued that birds could not have descended from dinosaurs.

I think John Ruben has done a remarkable job — nice piece of detective work on a beautiful specimen," Mr. Feduccia said.

But Lawrence Witmer, an evolutionary biologist at Ohio University's College of Osteopathic Medicine, in Athens, Ohio, was one of the experts who challenged Mr. Ruben's conclusions.

"We have a ton of evidence for the view that birds descended from theropod dinosaurs, and John Ruben's conclusions fly in the face of this abundant evidence," Mr. Witmer said.

He said that Mr. Ruben's ideas might turn out to be correct, but that further evidence was needed to settle some large doubts.

Mr. Martin, of the University of Kansas, suggested, however, that the evidence already appeared to be in hand.

Regarding the conclusions of the Oregon State University team, he said:

"There's actually no way they could be wrong about this. The *Scipionyx* specimen has the best preservation ever seen. It's one of the biggest discoveries of this decade. It tells us more about dinosaurs than any other specimen."

He continued: "The positions of the dinosaur's windpipe and colon serve as independent checks that the animal did not have a bird's breathing apparatus." And, he said, the external shape of theropod dinosaurs, "with deep, narrow body walls, is exactly the design you would expect for an animal with a hepatic piston."

As for the scientists who hold to the bird-dinosaur connection, he said: "They're really cast in stone. Despite this new evidence, it's going to be very hard for them to change their minds now."

Were dinosaurs really warm-blooded, and were they in fact the ancestors of birds?

to fluoresce in different colors when exposed to ultraviolet.

The animal's colon glows bright yellow and appears to lie very close to its spinal column. In modern reptiles, the colon is arranged like this only in crocodiles, Mr. Ruben said.

In another possible similarity with crocodiles, scientists found evidence in the infant dinosaur of a specialized breathing device called a hepatic piston. In the crocodile, Mr. Ruben said, the piston is a large liver driven by muscles that pull it in and out to move air through the lungs. The colon lies near the crocodile's spine to leave room for the liver to move freely.

Scipionyx's lungs themselves were not preserved, but Mr. Ruben identified a large organ that glows blue under ultraviolet light as its liver. The relative positions and sizes of these and other organs mark them as crocodilian in type, he said.

By contrast, Mr. Ruben said, a bird's colon extends right through the middle of its abdominal cavity.

Mr. Ruben and his colleagues argue

that the fossil provides strong evidence that dinosaurs had a breathing mechanism similar to that of modern crocodiles and completely different from that of birds. From this and some other evidence, they deduced that theropod ("beast footed") dinosaurs, including the mighty *Tyrannosaurus rex*, were cold-blooded but were capable of spurts of intense activity.

A member of Mr. Ruben's group, Nicholas Geist, said, "What you have is a turbocharged reptile."

Scipionyx, which in life probably somewhat resembled the fierce velociraptors depicted in the movie "Jurassic Park," lived about 110 million years ago. This specimen, an infant that apparently died shortly after it was hatched, failed to attract much scientific interest at the time it was found.

But it was later discovered that its different body parts were selectively mineralized by different chemicals in the matrix, sometimes in which it was buried. This allows the fossilized organs

to fluoresce in different colors when exposed to ultraviolet.

The animal's colon glows bright yellow and appears to lie very close to its spinal column. In modern reptiles, the colon is arranged like this only in crocodiles, Mr. Ruben said.

In another possible similarity with

crocodiles, scientists found evidence in

the infant dinosaur of a specialized

breathing device called a hepatic piston.

In the crocodile, Mr. Ruben said,

the piston is a large liver driven by

muscles that pull it in and out to move

air through the lungs. The colon lies

near the crocodile's spine to leave room

for the liver to move freely.

Scipionyx's lungs themselves were

not preserved, but Mr. Ruben identified

a large organ that glows blue under

ultraviolet light as its liver. The relative

positions and sizes of these and other

organs mark them as crocodilian in type,

he said.

By contrast, Mr. Ruben said, a bird's

colon extends right through the middle

of its abdominal cavity.

Mr. Ruben and his colleagues argue

that the fossil provides strong evidence

that dinosaurs had a breathing mechanism

similar to that of modern crocodiles

and completely different from that of

birds. From this and some other evidence,

they deduced that theropod ("beast footed")

dinosaurs, including the mighty *Tyrannosaurus rex*, were cold-blooded but were capable of spurts of intense activity.

A member of Mr. Ruben's group, Nicholas Geist, said, "What you have is a turbocharged reptile."

Scipionyx, which in life probably

somewhat resembled the fierce velociraptors depicted in the movie "Jurassic Park," lived about 110 million years ago. This specimen, an infant that apparently died shortly after it was hatched, failed to attract much scientific interest at the time it was found.

But it was later discovered that its

different body parts were selectively

mineralized by different chemicals in

the matrix, sometimes in which it was

buried. This allows the fossilized organs

to fluoresce in different colors when

exposed to ultraviolet.

The animal's colon glows bright yellow

and appears to lie very close to its

spinal column. In modern reptiles, the

colon is arranged like this only in croco-

diles, Mr. Ruben said.

In another possible similarity with

crocodiles, scientists found evidence in

the infant dinosaur of a specialized

breathing device called a hepatic piston.

In the crocodile, Mr. Ruben said,

the piston is a large liver driven by

muscles that pull it in and out to move

air through the lungs. The colon lies

near the crocodile's spine to leave room

for the liver to move freely.

Scipionyx's lungs themselves were

not preserved, but Mr. Ruben identified

a large organ that glows blue under

ultraviolet light as its liver. The relative

positions and sizes of these and other

organs mark them as crocodilian in type,

he said.

By contrast, Mr. Ruben said, a bird's

colon extends right through the middle

of its abdominal cavity.

Mr. Ruben and his colleagues argue

that the fossil provides strong evidence

that dinosaurs had a breathing mechanism

similar to that of modern crocodiles

and completely different from that of

birds. From this and some other evidence,

they deduced that theropod ("beast footed")

dinosaurs, including the mighty *Tyrannosaurus rex*, were cold-blooded but were capable of spurts of intense activity.

A member of Mr. Ruben's group, Nicholas Geist, said, "What you have is a turbocharged reptile."

Scipionyx, which in life probably

somewhat resembled the fierce velociraptors depicted in the movie "Jurassic Park," lived about 110 million years ago. This specimen, an infant that apparently died shortly after it was hatched, failed to attract much scientific interest at the time it was found.

But it was later discovered that its

different body parts were selectively

mineralized by different chemicals in

the matrix, sometimes in which it was

buried. This allows the fossilized organs

to fluoresce in different colors when

exposed to ultraviolet.

The animal's colon glows bright yellow

and appears to lie very close to its

spinal column. In modern reptiles, the

colon is arranged like this only in croco-

diles, Mr. Ruben said.

In another possible similarity with

crocodiles, scientists found evidence in

the infant dinosaur of a specialized

breathing device called a hepatic piston.

In the crocodile, Mr. Ruben said,

the piston is a large liver driven by

muscles that pull it in and out to move

air through the lungs. The colon lies

near the crocodile's spine to leave room

for the liver to move freely.

Scipionyx's lungs themselves were

not preserved, but Mr. Ruben identified

a large organ that glows blue under

ultraviolet light as its liver. The relative

positions and sizes of these and other

organs mark them as crocodilian in type,



THE INTERMARKET

FOR EUROPE +44 171 420 0348
 FOR THE AMERICAS 1-800 572 7212
 FOR ASIA +852 2922 1188

RECRUITMENT



Bristish American Racing is the new fresh and distinctive face in Formula One. Based in Brackley, Northants, UK, in a new state of the art factory, the team is preparing for its first race season with the aim of making a significant and positive contribution to Formula One. We are looking for enthusiastic and committed people to join our new team during this exciting period of development.

SENIOR ACCOUNT MANAGER - MARKETING AND SPONSORSHIP

This position is required in our Marketing and Sponsorship Department working to service commercial partners as well as building relationships between existing and new sponsors raised in North America.

Applicants must have in-depth experience of the North American (particularly French-Canadian) commercial and cultural environments; professional event management background including experience with an international sporting organisation and an international client base. We require experience of working with senior marketing directors, providing analysis of marketing briefs, evaluation of sponsorship results and the construction of objective orientated solutions.

Due to the uniqueness of our environment, it is essential that candidates have a detailed knowledge of, and an employment history in, Grand Prix Racing in terms of both technical and commercial aspects of the industry.

Significant experience in public speaking and presentations at a senior level with strong language skills in French and/or Italian plus English. Substantial computer literacy skills required in terms of software, hardware and systems implementation. University degree or equivalent experience. Salary approx. £35,000 per annum, according to the level of experience.

Please apply in writing, enclosing your c.v. and current salary details to:

Carol Ann Guilford

Human Resources Manager, British American Racing Operations Centre
 Brackley, Northants, NN13 7BD, United Kingdom
 Email: cgulfor@baracing.co.uk
 British American Racing is an Equal Opportunities Employer

Want to set the industry on fire?
It all starts with a good match.

Just go online to www.careerpath.com and click on **Resume Connection**, where we make sure an employer's needs and yours match seamlessly.

We help you build a better resume and get it into the right hands, at your discretion, providing you with the most effective, sophisticated and secure way to pursue your career.

Powered by leading newspapers and top employers, **CareerPath.com** brings you the largest number of the most current job opportunities available.



SECRETARIAL

SHH
 Nous sommes un Cabinet d'avocats international en plein développement. Nous recherchons pour notre bureau de Paris 6ème (210 personnes) :

Secrétaire Assistante
Bilingue Anglais/Français

Vous êtes chargée d'assurer le secrétariat d'un de nos associés américains intervenant notamment dans le secteur des fusions-acquisitions.

Le secrétariat classique (rapport, classement, tenue d'agenda, facturation) à l'organisation des déplacements de ce dernier, vous brillez par votre rigueur, votre précision et votre sens de la confidentialité.

Agée de 28 à 35 ans, vous disposez d'une expérience très convaincante du secrétariat de direction. Vous excellez dans la pratique de Word 6.0 Mac ou PC.

Merci d'adresser lettre, CV, photo et présentation sous réf. : 9900 A - Cabinet Salans Hertzfeld & Heilbronn Madame GAUTIER - 9, rue Botzay d'Anglas - 75008 PARIS. E-mail : marie-helene.gautier@salans-shh.com

EDUCATION

HOLLAND



offers in cooperation with the faculty of
INSEAD
 and sponsored in cooperation with

Amsterdam Exchanges **AEX**

The Options Workshop
 - Stock Option and Foreign Currency Option Pricing
 - Option Trading Strategies and Risk Management

(April 6-8)

(April 8-10)

The Advanced Options Workshop
 - Yield Curve Dynamics and the Pricing of Interest Rate Derivatives

(April 12-14)

(April 15-16)

- Exotic Options

- Derivatives: Special Topics

(April 19-20)

(April 21-22)

- Mathematics of Derivative Securities

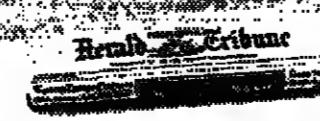
(April 26-28)

For information, please visit our Website or contact Ms. Katalin Arnold.

AIF: Herrenstrasse 105, 1016 BP Amsterdam, The Netherlands
 telephone: +31 20 5205171 fax: +31 20 5202143
 e-mail: info@salans-shh.com

Recruitment

Appears every Monday in The Intermarket.
 To advertise contact Sonya Broadhead in our London office.
 Tel: +44 171 510 5725 / Fax: +44 171 987 3462
 or your nearest IHT office or representative.



THE WORLD'S DAILY NEWSPAPER

The International Court of Arbitration of the International Chamber of Commerce is seeking a

Legal Counsel

Founded in 1923, the ICC International Court of Arbitration has built up unique experience as an international arbitration centre. Until today it has administered over 10,000 cases involving commercial agreements between parties from all over the world, in virtually every sphere of international commercial and financial activity. The counsel of the Court's Secretariat are responsible for the day-to-day management of the cases submitted to ICC arbitration. Among other duties, the Counsel monitors the progress of the arbitration procedures, provides neutral advice to arbitrators and parties on procedural questions, and reports to the Court as needed.

The candidate must be a common law lawyer with practical experience in civil procedure and preferably international arbitration, with a demonstrated interest in international private and comparative law. The candidate must be completely fluent in English and French.

If you wish to work in a multinational team, please send your application to the Director of Personnel - International Chamber of Commerce - 38, cours Albert 1er - 75008 Paris France (ref. CS/AMW) - Fax 33 1 49 53 29 42 E-mail adm@iccwo.org WebSite www.iccwbo.org



General Positions Wanted

FRANCÉ MAN, female, good presentation, intelligent, working in human active, seeks job, secretarial tasks, small maintenance work & long distance driving. Letters - reasonable salary. Please call Tel: +33 (0) 47 62 07 38 Jean-Marc

CULTURED, ATTRACTIVE English lady, 50, good social skills seeks claimed position Social Secretary / Travel companion - Property manager to mature business gentleman. Write to Box 821, 101, 63 Long Acre, London, WC2E 9AR

PHYSIOTHERAPIST - NEURO-Psychiatry seeks job, initial development (maxim 3 years). Tel Paris +33 01 344 0869

Secretarial Positions Available

MULTI-TALENTED SECRETARY required for secure position with Property Developer. Good communication and computer skills. Email essential. Flexi hours 20-25, minimum 4 days per week. Live-in position. Independent accommodation in London. En. Local. Occ. South Africa. Use of car. Tel: +33 (0) 33 41 05 98 & (44) 171 451 1180

Secretaries Available

PERSONAL / EXECUTIVE ASSISTANT Sophisticated, educated, mathemetician. Swiss, English, French, Italian, Portuguese. Age 29 is open for a new challenge. Seeks an art position with a professional executive manager or VIP. Very successful and reliable with an excellent reputation. Free to travel. For serious offers call US (914) 777 6844 (mobile) or fax CH 41 41 17 4001

WHARTON STUDENT - Specifying in Int'l Business. Seek Summer Position as Traveling Product Assistant. CH 41 41 17 4001. Proficient Computer. Writing to Work Around-the-Clock. Contact mat20@wharton.upenn.edu or Phone USA (215) 395 7713

Educational Positions Available

ENGLISH TEACHERS

Experienced for Business People. Dynamic, Friendly Team. Innovative Teaching Methods. Part-Scholar. Working Papers. Comptoir des Langues +33 (0) 1450 1595

ENGLISH FOR EUROPEAN BUSINESS seeks English Language trainers, with teaching/business experience. 10 to 25 hours/week at major French companies in Paris, desk-bound or with computer working in office & car required. Fax resume to Paris +33 (0) 1 40 71 28 23

EXPERIENCED ENGLISH TRAINERS for incorporating English into your course. Send resume. Call BLS +33 (0) 1 55 23 00 88 or fax C.V. +33 (0) 1 55 23 00 88

THE INTERMARKET
 Continues on Page 18

Herald Tribune

THE WORLD'S DAILY NEWSPAPER

PLANNING TO RUN A CLASSIFIED AD?

Place your Ad quickly and easily, contact your nearest IHT office or representative with your text. You will be informed of the cost immediately, and once payment is made your ad will appear within 48 hours. All major Credit Cards Accepted.

EUROPE

FRANCE (01) Paris:
 Tel: +33 (0) 41 43 93 85.
 Fax: +33 (0) 41 43 93 70.
 Email: Classified@ihtr.com

ANDORRA: Andorre la Vella
 Tel: +37 813.
 Fax: +37 823.

GERMANY, AUSTRIA & CENTRAL EUROPE: Vienna
 Tel: +43 1 70 71 20 20
 Fax: +43 1 70 71 20 20

BELGIUM & LUXEMBOURG: Brussels
 Tel: +32 2 77 67 24.
 Fax: +32 2 76 24 38.

GREECE & CYPRUS: Athens
 Tel: +30 1 69 51 52 57.

FINLAND: Helsinki
 Tel: +35 8 600 826.
 Fax: +35 8 600 826.

ITALY: Rome
 Tel: +39 06 55 45 45.
 Fax: +39 06 55 45 44.

NETHERLANDS: Amsterdam
 Tel: +31 20 681 0700.
 Fax: +31 20 681 0700.

NORWAY & DENMARK: Oslo
 Tel: +47 55 91 30 70.
 Fax: +47 55 91 30 70

PORTUGAL: Lisbon
 Tel: +351 1 457 7293.
 Fax: +351 1 457 7302.

SPAIN: Madrid
 Tel: +34 91 572 658.
 Fax: +34 91 566 0704.

SWEDEN: Stockholm
 Tel: +46 8 522 8535.
 Fax: +46 8 522 8536.

SWITZERLAND: Zürich
 Tel: +41 1 22 30 21.
 Fax: +41 1 22 30 21.

UNITED KINGDOM: London
 Tel: +44 171 22 30 700.
 Fax: +44 171 22 30 700.

ISRAEL: Tel Aviv
 Tel: +97 2 52 1110.
 Fax: +97 2 52 1110.

JORDAN: Amman
 Tel: +96 2 654 000.
 Fax: +96 2 654 000.

SAUDI ARABIA: Center London
 Tel: +96 3 22 652 622.
 Fax: +96 3 22 652 622.

UNITED ARAB EMIRATES: Sharjah
 Tel: +96 51 22 974.
 Fax: +96 51 22 974.

AUSTRALIA: Melbourne
 Tel: +61 955 1100.
 Fax: +61 955 4611.

AFRICA

EGYPT: Cairo
 Tel: +21 34 99 838.
 Fax: +21 34 44 429.

SOUTH AFRICA: Johannesburg
 Tel: +27 11 803 3382.
 Fax: +27 11 803 7780

NORTH AMERICA

NEW YORK: Tel: (212) 72 20 2000.
 Toll free: 800 55 27 212.

FAX: (212) 755 8785

LATIN AMERICA

BRAZIL: São Paulo
 Tel: +55 11 32 27 045.
 Fax: +55 11 32 27 404.

CHILE: Santiago de Chile
 Tel: +56 2 62 70 207.
 Fax: +56 2 62 01 26

ECUADOR: Guayaquil
 Tel: +59 3 468 8230.
 Fax: +59 3 468 9149

ASIA/PACIFIC

HONG KONG: Tel: +852 29 22 1188.
 Fax: +852 29 22 1190

JAPAN: Tokyo
 Tel: +81 3 32 01 02 09.
 Fax: +81 3 32 01 02 09

PHILIPPINES: Pasig City
 Tel: +63 2 63 32 211.
 Fax: +63 2 63 32 751.

SINGAPORE: Singapore
 Tel: +65 22 64 78.
 Fax: +65 22 64 0841

THAILAND, BURMA: Bangkok
 Tel: +66 2 56 16 265.
 Fax: +66 2 56 16 265.

UNITED ARAB EMIRATES: Sharjah
 Tel: +96 51 22 974.
 Fax: +96 51 22 974.

AUSTRALIA

MELBOURNE: Tel: +61 955 1100.
 Fax: +61 955 4611

U.S.A.

Touro University International
 Tel: +1 718 274 0100.
 Fax: +1 718 274 0100.

MONDAY, FEBRUARY 1, 1999

PAGE 11

Merger Talk Portends a Shift In France's Bank Sector

Compiled by Our Staff From Dispatches

PARIS — France's banking sector appears set for another bout of merger speculation after a weekend report of talks between Societe Generale and Paribas, two of the country's largest banks.

The newspaper *Le Figaro* said the two banks had begun talks early this year on an alliance that would create a European giant.

Societe Generale is eager to turn itself into a universal bank with a major domestic retail business and an international presence in investment banking and asset management; Paribas's strength is in investment banking and specialized financial services.

Neither bank would comment on the report. But analysts have for some time been expecting a French banking shake-up in the wake of the introduction of the single European currency, the euro, and plans to privatize Credit Lyonnais SA.

A combination of Societe Generale, the second-largest bank in France, and Paribas, the fifth-largest, would be the second-largest in Europe in terms of assets, with \$660 billion, just behind UBS AG, with \$670 billion, and well ahead of Credit Agricole, currently the largest French bank, with \$420 billion.

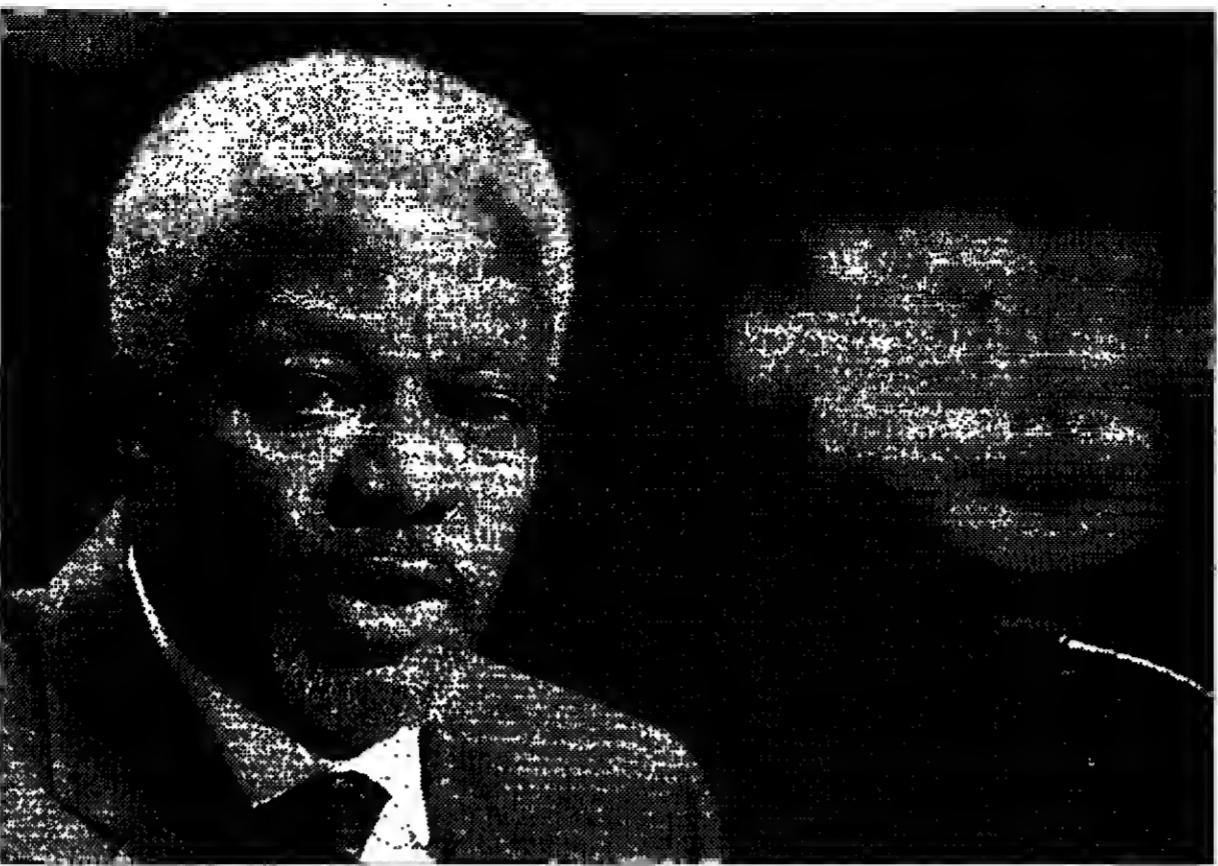
The combined bank would also be large enough to buy a major stake in Credit Lyonnais this year. That would put it into competition with Banque Nationale de Paris SA and the insurer AXA SA, which have said they are interested in buying part of Credit Lyonnais.

European banks have combined over the past year in record numbers to cut costs and increase revenue through larger branch networks. French banks, though, have been notably absent from the deals that have transformed the industry in Spain, Italy, Switzerland and Britain.

The governor of the Bank of France, Jean-Claude Trichet, declined to comment on the report.

Paribas has long been considered a takeover target, and its share price has doubled since October. Andre Levy-Lang, chairman of Paribas, said recently that the bank's stock had risen because of its efforts to cut costs and that it intended to remain independent.

(Bloomberg, Reuters)



UN Secretary-General Kofi Annan speaking Sunday at the World Economic Forum in Davos, Switzerland.

Annan Urges Firms to Enforce 'Values'

By Anne Swardson
Washington Post Service

DAVOS, Switzerland — United Nations Secretary-General Kofi Annan said on multinationals companies Sunday to enact and uphold standards on human rights, labor and the environment in their operations in fragile developing countries.

The idea of a code of conduct that corporations would impose on themselves and their subcontractors for investments and operations in poor countries has been proposed before, but not by anyone as highly placed as Mr. Annan.

"The spread of markets far outpaces the ability of societies and their political systems to adjust to them, let alone to guide the course they take," Mr. Annan told several hundred business leaders attending the annual meeting of the World Economic Forum.

"History teaches us that such an imbalance between the economic, social and political realms can never be sus-

tained for very long. "Without your active commitment and support, there is a danger that universal values will remain little more than fine words. Unless those values are really seen to be taking hold, I fear we may find it increasingly difficult to make a persuasive case for the open global market."

Even before Mr. Annan's speech, there was a sense here, reinforced by the past year and a half of global financial turmoil, that even from a business perspective some controls are needed to limit the negative impact of free trade and capital flows in less developed countries. The theme of this year's meeting was "managing the impact of globalization."

As many of the business and political leaders frolicked in heavy snow — Sunday was designated Sports Day at the forum — the darker side of globalization remained evident. Financiers were monitoring the worsening financial crisis in Brazil, and Prime Minister

Mahathir bin Mohamad of Malaysia was comparing currency speculators, whom he blames for the steep decline in the value of his country's currency, to arms traders and saying governments should act against them.

Lee Kuan Yew, Singapore's senior minister, said globalization "has created a totally different world that can unravel age-old values that have held our country together."

The United States, while emphasizing that countries need to run market-friendly and democratic policies, acknowledged the concerns.

Treasury Secretary Robert Rubin said in a speech Saturday that the world should "take steps to reduce the risk of the system." And the U.S. trade representative, Charlene Barshefsky, said Sunday that the United States, which has called for major new free-trade measures, believes and assumes that chapters on labor and the environment will be part of any new agreement that is reached.

U.S. to Offer Brazil \$1 Billion in New Aid

By Alan Friedman
International Herald Tribune

DAVOS, Switzerland — As Brazil struggled to prevent further capital outflows, a senior U.S. official disclosed plans Sunday to offer Brazil as much as \$1 billion of emergency trade financing.

James Harmon, chairman of the Export

Import Bank, the

U.S. agency that

provides interna-

tional buyers ex-

port credits to ac-

quire U.S. goods,

said the export

credits could help Brazil buy raw ma-

terials as well as spare parts for its small

and medium-sized exporting compa-

nies.

Mr. Harmon, in an interview during the World Economic Forum meeting in this Alpine ski resort, said the trade financing he would offer to Brazil had been modeled on loans that the Export-Import Bank and other export credit agencies in Group of Seven industrialized countries provided last year to troubled Asian economies such as South Korea, Thailand and Indonesia.

"During this crisis period, as was also true in Korea, for example, Ex-Imbank can help provide funding that is used to help produce finished goods for exports," Mr. Harmon said. He called the export credits "essential life for any troubled economy, the food the economy should act against them.

Lee Kuan Yew, Singapore's senior minister, said globalization "has created a totally different world that can unravel age-old values that have held our country together."

The United States, while emphasizing that countries need to run market-friendly and democratic policies, acknowledged the concerns.

Treasury Secretary Robert Rubin said in a speech Saturday that the world should "take steps to reduce the risk of the system." And the U.S. trade representative, Charlene Barshefsky, said Sunday that the United States, which has called for major new free-trade measures, believes and assumes that chapters on labor and the environment will be part of any new agreement that is reached.

In the interview here, Mr. Harmon also disclosed plans to seek similar export credits from other G-7 nations. "I will ask other G-7 governments to offer the same kind of facility," he said. "We did this very successfully in Asia, and can do it for Brazil as well."

Separately, the International Monetary Fund's second-ranking official said he would fly to Brazil on Monday to discuss a revised program for the troubled economy.

Stanley Fischer, deputy managing di-

rector of the IMF, said he would join an IMF team that arrived over the weekend in Brazil and added, "We would like to agree on broad principles for a new program as soon as possible."

Mr. Fischer said the new program was needed because an earlier \$4 billion package had been based on Brazil having its currency, the real, pegged to the dollar, and the real has since fallen sharply.

"This crisis," said Mr. Fischer, "is going to be different from others we have seen because the financial system of Brazil is much stronger, the underlying banking situation is stronger, and since the crisis began Brazil has put in place the fiscal measures that were agreed with IMF in September."

Because Brazil has already approved most of its budget-deficit-cutting plans, Mr. Fischer said, "with resolute action this crisis can be handled quite well, and Brazil could even emerge stronger than it was two months ago."

■ **Real's Plunge Goes 'Too Far'**

Mr. Fischer said the 40 percent drop in the real, the Brazilian currency, had been overdone, considering the underlying strength of the country's economy, Reuters reported.

Mr. Fischer said Brazil had put in place almost all of the fiscal measures it needed to recover from its current crisis and could count on a strong financial system as well, thanks to the government's clean-up of state banks over the past few years.

"The remaining need is to get in place a credible monetary policy, the goal of which is to assure that this devaluation does not lead to an ongoing inflation but rather a one-time adjustment of the price level," Mr. Fischer said during a panel discussion at the World Economic Forum's annual meeting.

"That requires putting in place a clear monetary policy that is believed by the markets that has credibility. As soon as that happens, or a little after — because it takes time for credibility to be gained — the exchange-rate overshooting will begin to reverse; the currency will strengthen."

He added that there is "no question that the currency has gone far too far, given the underlying strengths and policy changes in the Brazilian economy."

CURRENCY RATES

Cross Rates	Jan. 29										Other Dollar Values										Jan. 29	
	\$	E	SF	Yen	CS	Dane	Greek	Swede	Argent.	Peru	Canary	Per S	Per S	Per S	Per S	Per S	Per S	Per S	Per S	Per S	Per S	Per S
London (o)	1.6428	—	2.3517	191.03	2,481.0	10,754	464.47	—	12.82	216.56	N. Zealand	1.8557	Sh. Ireland	37.42	—	—	—	—	—	—	—	
New York (o)	1.6446	—	1.4181	116.42	1.511	6,425	282.22	7,8122	1.511	1.6456	Australia	1.9356	S. Africa	40.55	—	—	—	—	—	—	—	—
Tokyo	116.35	191.58	82.35	—	76.69	17.84	0.522	0.522	1.511	1.6456	Indonesia	2.4745	Norw. Irland	7.5225	—	—	—	—	—	—	—	—
Toronto	1.511	2.4671	1.0578	12.9779	—	0.2308	0.5354	0.1936	1.511	1.6456	Malta	1.9356	Portug. Irland	51.71	—	—	—	—	—	—	—	—
Zurich	1.4195	2.2342	—	1.2224	0.5388	21.672	0.5026	0.182	1.511	1.6456	Chile	2.2778	Corse/Isle	0.3022	—	—	—	—	—	—	—	—
One euro	1.1384	0.691	1.6123	132.10	1.726	7,4359	320.98	8.88	1.511	1.6456	China	3.3059	Latvia, prem.	15.922	Thail. bank	22.77	Thail. bank	33.00	Thail. bank	33.00	Thail. bank	33.00
One SDR	1.3891	0.8432	1.5699	161.49	2.1244	9.0584	391.10	10.802	1.511	1.6456	Malta	3.3799	Malta, Irland	3.6775	UAE dirham	3.7555						

Source: Associated Press

Interest rates excluding derivatives.

*(o) To buy one peso by To buy one dollar. *For 100 N.G.: not quoted; N.A.: not available; SDR: Special drawing rights of the IMF.*

Sources: Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Montreal); Banque de France (Paris); IMF (SDR). Other data from Reuters.

Euro Values

Euro Values		Jan. 29										Other Dollar Values									
Interest rates of the EMU member currencies, for one euro:		Am	Eu	Fr	Ital	Port	DE	DK	IR	IS	MT	PT	SE	SI	ES	TR	UA	US	GB	JP	SG
Interest rates are permanently fixed.		12.2000	—	12.2000	—	12.2000	—	12.2000	—	12.2000	—	12.2000	—	12.2000	—	12.2000	—	12.2000	—	12.2000	—
To buy one peso by To buy one dollar. *For 100 N.G.: not quoted; N.A.: not available; SDR: Special drawing rights of the IMF.		12.2000	—	12.2000	—	12.															

CAPITAL MARKETS ON MONDAY

Despite Worry Over Brazil, Argentina Attracts a Vote of Confidence

By Jonathan Fuerbringer
New York Times Service

NEW YORK — Diego Espinosa, the co-manager of the Scudder Global Fund, is not interested at the moment in Brazil or most of the rest of the world's major emerging markets.

His \$1.59 billion fund, which he runs with William Holzer, has cut back its exposure to emerging markets to 1 percent from 5 percent in the summer of 1997.

And as long as the global financial environment is as it is now, he said, "it is going to be hard for us to make the case to invest in emerging markets."

The environment is bad because it is harder and more expensive for emerging-market countries and companies to borrow, there is downward pressure on the prices paid for goods from emerging markets, and the overall world economy — especially the markets of Europe and the United States — appears headed for a slowdown.

Despite his hands-off view, however, Mr. Espinosa has begun to consider an exception: Argentina. Since Brazil devalued its currency Jan. 13, raising new questions about emerging markets, Argentina has done several things to get his attention.

The Argentine government has renewed, in a convincing way, its determination to keep its currency, the peso, pegged directly to the U.S. dollar.

INVESTING

The government is even considering jacking the peso in favor of the dollar itself. "That shows a lot of commitment from the government," Mr. Espinosa said.

Also, there is the performance of the country's foreign debt. While it was sold in the wake of the Brazilian devaluation, it has performed better than expected.

At the end of last year, the spreads, or differences in yields, between U.S. Treasury bonds and 30-year global

bonds from Mexico and Argentina were 5.41 percentage points and 5.61 percentage points, in that order, while the difference for Brazilian bonds was far higher, at 9.86 percentage points.

Argentina was being treated like less risky Mexico, though many investors had always linked its outlook to Brazil's.

The spread on the same bonds jumped to 7.20 percentage points for Argentina, compared with 5.75 points for Mexico, after the devaluation. But it did not take off like that for Brazil, which rose to 12.47 percentage points.

Since then, the Argentine spread has narrowed to 6.61 percentage points while Brazil's has fallen only to 11.47 percentage points, according to Bloomberg News.

All this may signal that investors are beginning to distinguish between Brazil and Argentina, though their economic fates are still tightly tied because of their trade links.

Two other factors also figure in Mr. Espinosa's thinking. One is that Ar-

gentina borrowed heavily in global bond markets last year and therefore has much of the money it needs to meet its foreign debt payments this year; second, the Argentine stocks he likes are not very sensitive to overall economic growth rates and are at attractive valuations now.

Mr. Espinosa said he was not allowed to name his favorites, but stocks that appear to meet his definition are YPF SA, the oil and gas company, and the Argentine telephon companies, Telefónica de Argentina SA and Telecom Argentina SA.

"This is the time to think about de-linking," he said, referring to perceptions of Argentina and Brazil. But as emerging markets continue to be volatile, he said, he has not bought anything yet.

While there have been few reverberations in the world's developed markets since Brazil's renewed crisis, there were shocks throughout emerging markets.

Overall, according to the Morgan Stanley Capital International index, these markets are down 3 percent since Jan. 12. The index for Asia is off 5.7 percent, while Latin America is down

0.9 percent, in U.S. dollar terms, after a nice rebound last week.

Turning around Brazil will not be easy. Raising interest rates could help stop its currency's fall — but could also push the economy deeper into recession. A weakening currency, however, could reignite inflation. And the spending cuts needed to cut the government deficit will require layoffs of state workers.

"Emerging markets need periods of global stability to grow," Mr. Espinosa said, because their fragile political systems cannot adjust to the current environment.

Bonds Languish Out of the Spotlight

Bloomberg News

NEW YORK — Brazil's currency devaluation didn't do it. The lowest inflation figures in almost 50 years didn't do it. Nor has the performance of the Dow Jones Industrial average so far this year, which has been solid but nothing like the surging Nasdaq composite.

Nothing has been able to shake the U.S. Treasury market out of the narrow band it has been in for the past three months. With long-term yields not far from 31-year lows and the economy booming, investors say it might take a calamity to bring big gains in bonds.

For Treasury issues to rally, "it's going to take the stock market softening quite a bit or financial market Armageddon in October," said Vic Thompson at State Street Global Advisors in Boston. With markets in chaos last autumn, investors flocked to the safety of Treasury securities.

That scenario has not returned, and as a result the bond market is off to a slow start in 1999.

Investors who bought 30-year Treasury bonds at the start of the year are about even on their investment, when price moves and accrued interest are taken into account. That compares with gains of 17.8 percent in 1998. Since November, 30-year yields — at 5.09 percent Friday — have traded roughly between 5 percent and 5.30 percent. Last week's closing yield was virtually unchanged from 5.08 percent a week earlier.

"The market is treading water," said Sam Paddison at First Capital Group in Philadelphia. Mr. Paddison is among those investors who would be a lot more

keen on Treasury issues if it were not for the resilience of the economy and the strength of the U.S. stock market.

On Friday, the government said gross domestic product, the broadest measure of economic output, grew at a 5.6 percent annual pace in the fourth quarter of 1998, the fastest in more than two years. For all of last year, the economy grew 3.9 percent.

If that were not enough to discourage bond investors, unemployment is at a 28-year low, housing is booming, and

U.S. CREDIT MARKETS

consumer confidence is buoyant. That has helped spark a stock market rally that lifted major indexes to records last month. In January alone, the Nasdaq composite index climbed 14 percent.

"To get bullish on Treasuries, one thing I want to see is stocks go down," said Mr. Paddison, who has a printout of the Dow's closing level in 1998 taped to his computer screen. "It's one of the signs we look for to get more pumped up in the bond market."

On the plus side for bond investors, the government also reported that the inflation gauge used in calculating gross domestic product, known as the deflator, rose at only a 0.8 percent annual rate in the last three months of 1998. That is the smallest surprise since 1959. For the year, the deflator rose just 1 percent, the smallest annual increase in nearly 50 years. Low inflation helps bonds hold their value.

Bond investors' concern is that the economy's robust growth reduces the

chance that the Federal Reserve will follow up its three-quarter-point interest rate reductions of last autumn with a fourth cut soon. Growth also increases the possibility that inflation will quicken, despite its current low level.

Rising stocks, meanwhile, create wealth for individuals, making them more willing to spend — oot to mention that gains in stocks make bonds a less attractive alternative.

"As long as the stock market keeps going, it is hard to see a rally in the U.S. bond market developing," said Susan Huang, who oversees \$30 billion at Chase Asset Management.

Bond investors have been paying such close attention to stocks, in fact, that Treasury securities have traded inversely to equities for most of the past month, getting a boost from declines in stocks and falling when stocks rise.

While some investors say it might take a steep and sustained decline in stocks to spur another bond rally, few are expecting a rout in the Treasury market either. The reason: the lack of inflation in the U.S. economy.

Low Treasury yields also indicate that investors see value in safety. Brazil is struggling to revive its sagging economy, and Asian economies are only beginning to recover from their slump. Some investors say Brazil's problems may spread, hurting U.S. growth and roiling markets.

"Economic growth is going to slow a lot, dragged down by international turmoil and a stock market correction," said Fred Levin, an economist at Auhrey G. Lanston & Co.

Most Active International Bonds

The 250 most active international bonds traded through the European system for the week ending Jan. 29. Prices supplied by Telekurs.

Risk Name Cpn Maturity Price Crd Yld

British Pound

Risk Name	Cpn	Maturity	Price	Crd Yld
101 Britain	7	04/07/02	107.823	6.4900
120 Amington Fin	4	12/01/22	26.425	5.7000
129 Abbey Nat Svcs	6	01/21/04	100.018	5.2500
174 Norsk Hydro	6%	01/20/03	100.006	6.5000
209 Thome Fin	6%	07/10/03	58.444	12.8200
221 Fins Resid Hous	11.12/03	159.750	5.5000	
233 IB	6%	01/20/03	100.000	5.5000
245 Amington F Fin	6.23/99	104.572	6.7000	
249 Fomme Fin	6%	04/07/02	105.770	6.5000

Danish Krone

Risk Name Cpn Maturity Price Crd Yld				
28 Denmark	7	11/13/07	121.462	5.7200
34 Denmark	8	05/13/07	105.459	6.5200
48 Denmark	4	11/13/02	105.459	5.7200
50 Denmark	6	11/13/02	106.720	5.5200
51 Denmark	7	11/13/01	101.180	7.1400
68 Denmark	9	11/13/00	109.570	8.2100
73 Denmark	8	10/13/00	109.570	8.2100
84 Denmark	6	12/13/99	102.040	5.8800
88 Denmark	7	12/13/99	117.682	5.7200
95 Nykredit	6	10/01/99	98.400	6.1000
103 Denmark	7	02/13/99	101.180	6.1000
105 Denmark	7	02/13/99	100.000	6.0000
106 Denmark	7	11/13/98	131.547	5.2200
124 Unikred	6	10/01/98	98.450	6.0000
129 Denmark Bills	zero	08/29/98	98.265	3.7400
131 Denmark	5	08/15/98	107.160	6.7000
202 Nykredit	6	02/13/98	101.400	6.0000
227 Denmark	4	02/13/98	100.540	5.9800

Deutsche Mark

Risk Name Cpn Maturity Price Crd Yld				
94 Credit Fonci	7%	02/24/03	113.940	4.2000
116 Germany Thills	zero	04/14/99	99.403	2.8400
181 Hessen Land	5%	01/20/00	114.870	5.0100
202 Lwfrd Rentenb	zero	07/07/98	102.863	25.0000
223 Canada	4%	07/07/98	107.345	4.5400

Euro

Risk Name Cpn Maturity Price Crd Yld				
1 Germany	3.34	01/04/99	100.927	3.7200
2 Germany	5.14	01/04/99	112.645	4.6900
3 Germany	4.76	07/04/98	103.088	3.9800
4 Germany	4.76	07/04/98	103.027	4.7200
5 Germany	4.76	07/04/98	103.027	4.7200
6 Germany	5.14	01/04/98	112.290	4.8400
7 Germany	5.14	01/21/98	113.290	7.2000
10 Germany	6.12	02/13/98	100.300	2.9000
11 Germany	6.12	02/13/98	100.240	2.9000
12 Germany	6.12	02/13/98	100.240	2.9000
14 Germany	7.74	01/13/98	100.000	6.0000
15 Germany	3.08	06/26/03	102.685	3.5600
16 Treuhund	7.74	01/29/03	114.769	6.2100
17 Germany	7.74	01/29/03	114.769	6.2100
19 Germany	7.74	02/22/03	115.529	5.9000
20 Germany	4.95	05/19/03	105.812	4.2700
21 Germany	6.12	05/05/03	105.906	5.2100
22 Germany	6.12	05/12/03	105.906	5.2100
23 Germany	6.12	05		

DAVOS: Tietmeyer's Plan

Continued from Page 1

there should be some larger, new institutional structure."

Mr. Tietmeyer, in his interview, also raised concern about the record-setting heights of the U.S. equity market. "I share the concerns expressed by Alan Greenspan," Mr. Tietmeyer said, referring to the chairman of the U.S. Federal Reserve Board who on several occasions has warned that stock prices may be too high. "Flying high is a nice thing, but markets should not lose contact with reality. I hope the markets will behave in an appropriate way."

Mr. Tietmeyer noted that the implications of Wall Street's share valuations were more important for the U.S. economy than were the behavior of stock markets in Europe, "which don't play a macroeconomic role that is comparable to the situation in United States."

Asked for his growth forecast for the 11 nations in the single-currency zone in Europe, Mr. Tietmeyer said that with exports slowing, growth in 1999 would likely be "between 1.5 percent and 2 percent." The Bundesbank chief issued a plea for serious structural reforms in Europe, such as making labor markets more flexible, and he rejected the idea that growth could be triggered by a simple fiscal stimulus by interest rate cuts of their own.

"There is no doubt," Mr. Tietmeyer said, "that we have to create grounds for strong and lasting growth, but this cannot be done by simple demand management or relaxation of monetary policy."

"Do we really have too high interest rates?" he asked. Benchmark lending rates currently stand at 3 percent in most of Europe.

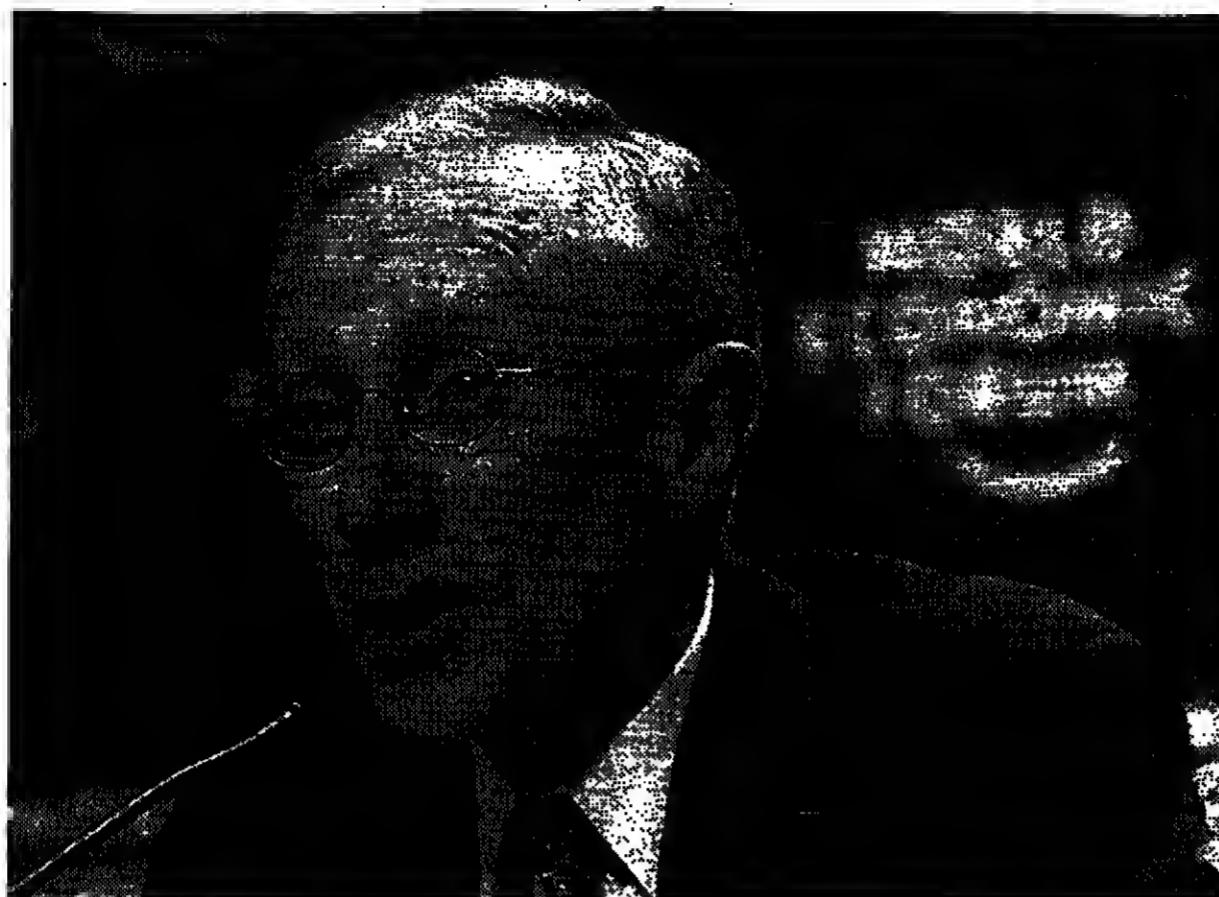
In other weekend developments at the Davos meetings:

• Stanley Fischer, first deputy managing director of the International Monetary Fund, emerged from a meeting with Prime Minister Yevgeni Primakov of Russia suggesting that Moscow was still far from winning back its suspended package of IMF loans.

The IMF suspended a \$23 billion aid package after Moscow defaulted on most of its domestic debt last August.

Mr. Fischer said that "at a general level we had a meeting of minds about goals," but "at a specific level" there was less agreement. "We have a team in Moscow now doing the numbers," he said, "but our early analysis suggests that the numbers are quite far off." Mr. Primakov, for his part, termed the talks "very positive" but also conceded that it would take "more than a year" to overcome his country's economic crisis.

• Mr. Fischer lashed out at critics of the IMF, denouncing those who had suggested that the Fund had ignored the social costs of its rescue programs in Asia last year. "I feel outraged and offended to be told things that are patently untrue," he said. "It is patently nonsense to say that IMF programs didn't



Stanley Fischer, first deputy managing director of the IMF, above, speaking to the assembly of the World Economic Forum in Davos, Switzerland, on Sunday. Mr. Fischer, who met with Prime Minister Yevgeni Primakov of Russia, below, said Moscow was still far from winning back its suspended package of IMF loans.

take the social factors into account."

• William Daley, the U.S. commerce secretary, warned delegates that China's growing trade surplus with the United States, which could total \$60 billion this year, was not "politically sustainable" in the long term. "The lack of openness in the Chinese markets persists and is a problem for our companies and is a problem for our companies."

Mr. Daley said that there was "growing concern" in the United States over its burgeoning trade deficit worldwide.

• Goran Lindahl, president of ABB Asea Brown Boveri Ltd., a Swedish-Swiss electrical and engineering group, responded to calls for greater social responsibility on the part of multinational corporations. "We believe that business is not only about wealth creation," Mr. Lindahl said Sunday. "Instead, global business must assume global responsibilities for the advancement and proliferation of human rights in everything we do."

• Heavily armed Swiss police officers, dressed in riot gear and wielding tear-gas guns and rifles, erected metal barricades and sealed off the conference center to keep 200 protesters at bay. The protesters, complaining about the negative effects of globalization, were kept a kilometer (0.6 mile) away from the gathering.

• Lee Kuan Yew, Singapore's senior minister, warned that even after Asia recovers from crisis, it should not aspire to the growth rates of pre-crisis days. "I

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

ages of an open system, Agence France-Presse reported. The developing world has a "bitter sentiment of injustice." President Hosni Mubarak of Egypt said, "a sense that there must be something wrong with a system that wipes out years of hard-won development because of changes in market sentiment."

Guardian Royal and AXA are advised to keep 200 protesters at bay. The protesters, complaining about the negative effects of globalization, were kept a kilometer (0.6 mile) away from the gathering.

• Lee Kuan Yew, Singapore's senior minister, warned that even after Asia recovers from crisis, it should not aspire to the growth rates of pre-crisis days. "I

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

do not see growth recovering at 6, 8, or 10 percent, because those halcyon days are over," he said. "We are going to face a different world, more competitive, more severe."

• Developing countries issued a plea to the industrial world that they not become the victims of a globalized economy because of changes in market sentiment."

</div

Japan 150

are

to check it

law firm
had close
then there
ntruit. A
llagers say
kade of the
o sells the
s owner.
ass expres-
ed why the
occupy the
Kanya Yu-
nt the law:
ersons.

e, surveil-
e are all
the Aunt
line. And a
gera urges
e,
group, they
hi Mizuhi
ge leader
ere, and we
s."

rea

children. Mr
are short of
searching for
his can give
ir weakened
quickly put
said.
itive food
in North Ko-
nks.
gram has ap-
food aid worth
an suspended
a after North
Japanese ter-
relations with
1998 was the
onor, have been
cerns over the
t's nuclear pro-
technology

contract that he
I defeat, and so
: opposition in
n that might or
seed.
ad he failed to
bs over three
hat bid would
fit and a desire
l. It was made at
by Lanzarotti.
ents wisely did
slam

NORTH
4
A4
AQJP432
634
EAST (D)
▲ 8652
85 ▽ 932
610
♦ A K 1087
SOUTH
♦ A K Q J 1093
93
♦ 85
83
and side was vulnerable. The
West North
1♦ 5 7 INT
INT Pass Pass
7♦ Pass Pass

the heart king:

earth.

ecosys.
eri. We also
alloys.
age.
v of which
morphous
er.
er.
on
ts

Salvatore Ferragamo

SUNWEAR

NASDAQ NATIONAL MARKET

(Continued)

DENNIS THE MENACE



PEANUTS

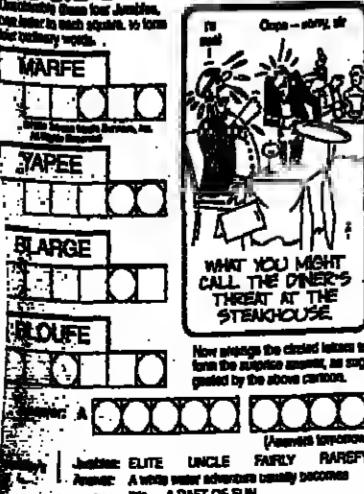


GARFIELD



JUMBLE

THAT SCRAMBLED WORD GAME
by Howard A. Arnold and Mike Augie



4

1



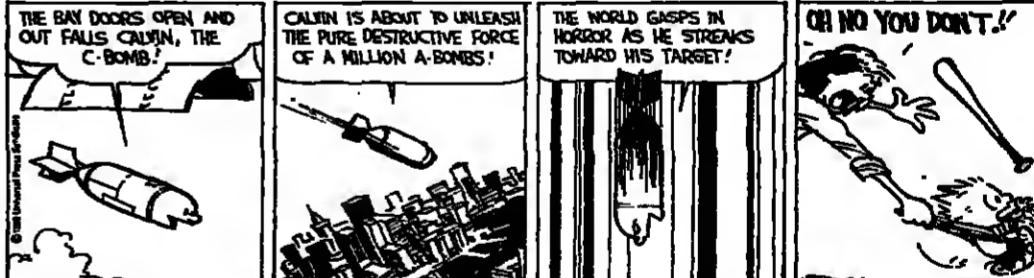
BLONDIE



BUSINESS OPPORTUNITIES

Appears every Wednesday
in The Intermarket.
For more information contact Sonya Broadhead
in our London office:
Tel: +44 171 420 0325
Fax: +44 171 420 0338
or your nearest IHT office

CALVIN AND HOBBES



WIZARD of III



NON SEQUITUR



DOONESBURY



SPORTS

'LT' Makes NFL Hall of Fame*Voters Place Linebacker's Skills Above His Off-Field Struggles*By Mark Maske
Washington Post Service

MIAMI — Lawrence Taylor, the former New York Giants linebacker, was elected to the pro football Hall of Fame, his brilliance on the field overshadowing his struggles off it.

Taylor, known widely as "LT" during his career, was one of five players selected to the Hall on Saturday. The others were the running back Eric Dickerson; the former Cleveland Browns tight end Ozzie Newsome, who is now general manager of the Baltimore Ravens; and the guards Tom Mack and Billy Shaw. They will join Taylor at the Aug. 7 enshrinement ceremonies in Canton, Ohio.

Newsome played 13 seasons for the Browns and is the league's career leader in receptions by a tight end. He said his election was "that much better" because it took place as the new Browns franchise was preparing to begin play next season.

Taylor's candidacy seemed to be in jeopardy in recent days even though his qualifications as a player were irrefutable. He was named to a record 10 consecutive Pro Bowls during his 13 seasons with the Giants between 1981 and 1993, and he was a member of the NFL's 75th anniversary all-time team. He was a three-time NFL defensive player of the year and one-time league most valuable player who reshaped the way the game is played with his relentless, sometimes savage pursuit of opposing quarterbacks. He starred on both Giants teams that won the Super Bowl, in the 1986 and 1990 contests.

But some of the 36 media members

who did the Hall of Fame voting at a Miami hotel had said they were prepared to bypass Taylor because of his legal troubles that include drug-related arrests and income-tax problems. Even last week, Taylor was unapologetic about his past, and only eight "no" votes were needed to keep him from being enshrined.

Commissioner Paul Tagliabue endorsed Taylor's candidacy during his state-of-the-league news conference on Friday, although people involved in the voting said Tagliabue's comments never were mentioned during a spirited, 30-minute discussion about Taylor among the voters.

But the balloting guidelines instructed voters to consider only a candidate's on-the-field accomplishments, and Taylor joined Dickerson, a former running back with the Los Angeles Rams, Los Angeles Raiders, Indianapolis Colts and Atlanta Falcons, in being elected in his first year of eligibility.

People involved in the election said the voters defeated a proposal — by a 24 to 11 count, with one abstention — to ask the Hall of Fame's board of directors to consider adding a morals clause to the criteria for enshrinement, similar to what baseball has.

Taylor, in a written statement released by the Giants, said he was "humbled" by his election. He added: "I feel like it is the ultimate reward for playing the game that I love so much and gave so much. I appreciate the debate and the consideration that was given to my nomination. Ultimately, this honor has to do with how I played the game. Obviously the majority of the committee felt the same way."

Lynn Swann and Howie Long made the voters' pared-down list of six candidates but did not make the final cut.

"It doesn't always come across, but I appreciate the well-wishes and concerns of my family, my friends and my former teammates. It means a great deal to me. It truly does."

Dickerson said he would be honored to be enshrined with Taylor. "Lawrence Taylor is a great football player, and I'm happy he got in," Dickerson said. "Lawrence revolutionized the linebacker position."

Dickerson told a story about being told once by his coaches to cut-block Taylor at the knees on a play. "I did it, and he said, 'Look, don't you ever cut me again,'" Dickerson said. "I said, 'OK.' I went to the sideline and said, 'That man said don't ever cut him again.' They called the same play again and I said, 'Put someone else in.'"

Dickerson spent 11 seasons in the NFL and is the league's third-leading career rusher. He holds the NFL's single-season rushing record with his 2,105 yards for the Rams in 1984. "I felt like it would happen one day," he said of his election. "I thought I was a pretty good football player. I never said I was great. Let other people say that if they feel that."

George Allen, the former Washington Redskins coach, did not make the hall in his final year of eligibility.

Mack, an 11-time Pro Bowl player who never missed a game in his 13 seasons with the Rams in the 1960s and '70s, was like Allen, in his final season of eligibility as a modern-era candidate. Shaw, who played for the Buffalo Bills in the '60s, was this year's senior-committee candidate.

Lynn Swann and Howie Long made the voters' pared-down list of six candidates but did not make the final cut.



Eric Dickerson welcoming news that he, too, was elected to the Hall of Fame.

Predators Stop Devils, 3-2, For Their First Victory in OT

The Associated Press

Sebastian Bordeleau scored with 2:17 left in overtime and Mike Dunham had 27 saves as the Nashville Predators beat the New Jersey Devils, 3-2.

Scott Walker and Greg Johnson also scored Saturday night as the expansion Predators won their first-ever overtime

NHL Roundup

game and ended the Devils' season-high four-game winning streak.

Canadiens 3, Blackhawks 2 In Vancouver, Markus Naslund scored the go-ahead goal with 8:45 left as the Canucks won for the first time under Coach Matt Crawford and only the third time in their last 15 games.

Penguins 6, Bruins 2 Alexei Kovalev scored twice and assisted on Kevin Hatcher's third-period tie-breaking goal as Pittsburgh beat visiting Boston.

Hurricanes 3, Canadiens 1 Arthur Fafa made 44 saves and Robert Kropf scored twice as Carolina won in Montreal despite managing only 10 shots on goal — none in the third period.

Sabres 4, Kings 1 Donald Audette, playing in Buffalo for the first time since leaving the Sabres, had a busy first period, mixing it up with the Buffalo goalies, Dominik Hasek, and then giving Los Angeles the lead. But the Sabres won the game with four third-period goals.

Flyers 6, Lightning 2 In Philadelphia, John LeClair scored his NHL-leading 30th and 31st goals, giving him four in his last two games as the Flyers kept their hot streak alive against Tampa Bay.

Stars 5, Panthers 2 Tony Hrkac scored two unassisted goals as Dallas woo in Florida. Brett Hull, the Dallas winger, scored his 19th goal, giving him a goal in each of his last five games.

Rangers 3, Red Wings 2 Nicklas Sundstrom scored with 4:42 remaining and Mike Richter made 38 saves as the New York Rangers gained their first victory in Detroit in nearly seven years.

Maple Leafs 5, Capitals 3 In Toronto, Steve Sullivan, Gary Valk and Sergei Berezin scored in a 2:36 span in the second period as the Maple Leafs defeated Washington.

Senators 9, Islanders 2 Alexei Yashin scored his 21st and 22nd goals of the season and added an assist as Ottawa set a club record for goals in a game in routing the visiting New York Islanders.

Oilers 1, Mighty Ducks 0 In Edmonton, Mikhail Shtalenkov made 22 saves and Janne Niinimaa scored early in the third period as the Oilers beat Anaheim.

Flames 4, Blues 3 In Calgary, Jeff Shantz scored at 3:21 of overtime as the Flames beat St. Louis.

Avalanche 5, Sharks 0 Joe Sakic scored two goals for the third time in his last five games as Colorado beat visiting San Jose for its eighth straight victory.

The Morality Behind America's Secular Holy Day Is Hardly Super

New York Times Service

NEW YORK — The Super Bowl may indeed be the quintessence of American boys behaving badly, but it has never pretended to be anything else.

Because it is the national holy day of a single religion linked to illegal gambling, domestic violence, sex, child abuse and institutional racism, it is beyond scandal and star-fall. We should be particularly grateful in these days of Olympic disgrace and pro basketball depression.

I began appreciating the Super Bowl 30 years ago, at what was then called the American Football League-National Football League world championship. The evening before the game, I was offered a glimpse into the future if I promised to keep it in "deep background." Even more easily seduced then, I soon found myself rocking gently on a luxurious yacht, drinking with Commissioner Pete Rozelle and several owners.

Rozelle took me aside, murmured of his concerns that pro football was becoming too big too quickly, too intrusive

Vantage Point/ROBERT LIPSETY

to the national fabric. Could it sustain? He was as serious as any head of state dreaming of an empire.

He went on to leak the legend, which would soon share with everyone, that the term "Super Bowl," then coming into vogue, had been coined by the Kansas City Chiefs' owner, Lamar Hunt, one of whose children liked to play with a popular toy of the era called a "super ball." Rozelle, the public relations master, told this story with such elaborate reluctance that, in retrospect, it is clear he was releasing a trial balloon he figured the news media would either shoot down or claim to have sent up.

That game, retroactively called Super Bowl III, helped bring us into this rich new world in which the Olympics became just another super-spectacle competing for entertainment dollars and short white men made hoopla dreams come true. I wish I had been smart enough that balmy night off Miami Beach to see that the fix was already in, that these guys

knew what they were doing.

The NFL and its Super Bowl were about franchising and marketing, about cities desperate to appear "major league," about cars and beer for 18-to-34-year-old male viewers who needed to watch mostly faceless big guys whomp the cartilage out of one another. This was a boy's dream of study quarterbacks and their loyal mailball guards, "Braveheart" without the blue paint, 60-minute wars without women or the responsibilities of peace. And it was all under the benign fatherhood of intense coaches who would make them men.

No wonder the Olympics and the National Basketball Association started to scramble.

The Olympics have been a model of hypocrisy, continually bending their own rules for the sake of business. All was justified for the survival of a "movement" that was supposedly larger than nationalism. The Olympics fed on nationalistic rivalry, especially when

it could be televised.

This is why it is so hard not to enjoy certain aspects of the current bribery scandal (which will turn out to be far more systemic than first reported) in much the way that gnostics enjoyed the fall of those television preachers who always knew so much about sin.

The Olympics lost its last claim to specialness in 1992, when it opened its arms to the Dream Team, the NBA's Roman legion, which claimed the world in ways that even the late Commissioner Rozelle probably envied. Basketball is more portable and exportable than football, but perhaps more fragile. All its players have faces.

Because individual stars become larger than the game itself, the game is more dependent on them. The process of replacing Michael Jordan has already begun, but until it is complete the game will be in recession. But the Super Bowl, with its red-meat soul, its aroma of beer, cigars and new car leather seats, prospects and rumbles on.

Illegal football betting, from office pools to serious gambling, has become

intrinsie to the national fabric. The only important players who were ever suspended for an entire season, Paul Hornung and Alex Karras, were punished because they bet on games, giving the appearance of being inside traders.

That every level of the game encourages football players to use anabolic steroids and other drugs that enhance performance, build muscle mass or aid strenuous training is no longer even interesting, fascinating will be how the pharmaceutical companies, in their rush to cash in on the men's health boom, will use the game's image of manhood to market drugs.

The continuing, almost perverse, refusal to promote black coaches seems like a one-industry refutation of a century of progress. So does the pigskin curtain over what seems like an epidemic of players with police records. Is it the drugs, a shared psychological profile of player and felon or a sense that the super ball has just bounced out of sight of everyday morality?

Beats me. All I know is that, Sunday, I was grateful to pay homage.

THE INTERMARKET

FOR EUROPE -44 171 420 0348
FOR THE AMERICAS 1-800 572 7212
FOR ASIA +852 2922 1188

GENERAL

See Wednesday's Intermarket for Business Opportunities, Franchises, Commercial Real Estate, Telecommunications, Automotive and Entertainment.

To advertise contact Sarah Wertheim on +44 171 420 0360 or fax +44 171 420 0338

A GREAT DEAL HAPPENS AT THE INTERMARKET

OFFSHORE COMPANIES

OFFSHORE COMPANIES, TRUSTS & FOUNDATIONS

Since 1977 we have specialized in advising on the creation of offshore companies, trusts and foundations, including bank accounts and corporate tax savings and to maintain privacy. We incorporate in all offshore jurisdictions and offer full post incorporation services - professionally and at reasonable cost.

Example of Incorporation Fees:

IRELAND \$225

SPAIN OF MAN \$225

TCI \$225

US \$245

BVI \$275

INTERNATIONAL COMPANIES LIMITED LTD. £100

For immediate service contact:

IRELAND - Eddie Murphy Tel: +353 1 611 8490 Fax: +353 1 611 8493 E-mail: IRELAND@ISL.com

LONDON - Paddy Murphy Tel: +44 171 424 4244 Fax: +44 171 421 0023 E-mail: UK@ISL.com www.10SL.com

www.10SL.com

Announcements

FEELING low? - Having problems? SOS HELP crisis-line to English. From 3PM to 11PM. Tel Paris +33 (0) 47 23 80 80

Announcements

Herald Tribune

THE WORLD'S DAILY NEWSPAPER

FOR PLANNING A CLASSIFIED AD?

EUROPE

FRANCE (Prix: Tel: 01 41 43 93 85, Fax: 01 41 43 93 80, E-mail: Classified@Herald.com)

GERMANY, AUSTRIA & CENTRAL EUROPE: Tel: 069 97 2300, Fax: 069 97 2300

ASIA/PACIFIC

HONG KONG: Tel: 011 377-1188, Fax: 011 377-1180, E-mail: Classified@Herald.com

SINGAPORE: Tel: 65 222-6708, Fax: 65 222-6708, E-mail: Classified@Herald.com

YOUR OFFICE IN LONDON: Bond Street - May, Phone, Fax, Tel: 44 171 260 9000 Fax 44 171 499 7517

TELECOMMUNICATIONS

kallback

New Lower Rates!

Call the U.S. from:

France 20¢

Germany 21¢

Italy 34¢

Japan 29¢

U.K. 16¢

NO Deposit - NO Credit - NO Tax!

Instant Activation

Fiber-Optic Networks

Itemized 6-Second Billing

Ideal for Home, Office,

Hotels and Mobile Phones

Agent Inquiries invited

Tel: 1-206-599-1991

1-800-965-1626

Fax: 1-206-599-1981

417 Second Avenue West

Seattle, WA 98114 USA

www.kallback.com

E-mail: info@kallback.com

Arts

YOUR PORTRAIT BY TOP photographer for personal or professional use. Info: Tel: 800-33 01 45 49 15 60 Fax: 433 01 45 49 34 37

Pre-
Dev
For
Vic

SPORTS

With Rules Change, Candidate Cities Scramble for Ways to Woo IOCBy Anne Swardson
Washington Post Service

SION, Switzerland — Posted prominently inside the headquarters of this city's bid committee for the 2006 Winter Olympics are photos of all 114 members of the International Olympic Committee. The idea, an official explains, was to give IOC members a little thrill of recognition when they walked in.

It was also with thoughts of hosting visiting IOC members that the bid committee furnished the three sitting rooms of their neoclassical mansion with leather-covered chairs and other emblems of good living donated by local retailers and set up a video-equipped conference room in the wine cellar.

The IOC members were to have started arriving about now. About \$50,000 was set aside to pay for the first-class air tickets, the deluxe hotel rooms, the cars and drivers, the meals. By the time the host city for the 2006 Winter Games is

chosen June 19, Sion expected to have entertained as many as 70 members of the IOC.

But that was before the IOC, beset by bribery and corruption scandals in the awarding of the 2002 Winter Games to Salt Lake City, Utah, changed the rules of the game. Under the new system tentatively agreed to this month, IOC officials are forbidden to visit cities vying to host the Olympics, and the cities are forbidden to contact them.

The changes leave Sion, a town of 26,000 in the French-speaking part of Switzerland, all dressed up but without any party guests. A full-size mock-up of the proposed temporary wooden housing for athletes graces one of the central squares. Local stores carry signs saying they accept as currency the commemorative coins for the 2006 bid. Banners in English promoting Sion's candidacy fly along every street, as well as at the railway station. As far away as the Geneva airport, signs celebrate Sion.

"Because we have been candidates before, we already knew a lot of members of the IOC," said Francois Mudry, the mayor of Sion. "Now, only eight of them will decide. The new rules will change things, not just for us but for all candidates."

Under new selection procedures, a 15-member committee, including some IOC members, will make the final choice. The selectors will not visit the six candidate cities, which already have been seen by the IOC's evaluation committee.

Although Mr. Mudry declined to speculate, the rule changes may actually solidify Sion's strong position for the 2006 games. Sion tied with Ostersund, Sweden, for second place behind Salt Lake City in the race for the 2002 Winter Olympics, so the city is known quantity. And it was highly praised in the evaluation committee's report released Jan. 23.

Things are not so rosy, though, for some of the five other European cities

bidding for 2006 that had hoped visits from IOC members could make the difference. The others are Turin; Helsinki; Klagenfurt, Austria; Zakopane, Poland; and Prag, Slovakia.

Zakopane was just about to issue invitations to as many as 80 IOC members to visit the resort town in the Tatra Mountains to promote its dark-horse candidacy. Officials from Zakopane were also planning to travel overseas in the next few months to woo certain IOC members.

"I think it's unfair to rule the rules in the middle of the run," said Adam Bachleda-Curu, the mayor of Zakopane. "We had settled on a promotion strategy. We are not well known, and there have been a lot of dynamic changes in Poland in the last nine years, so the visits were very important to us."

He said he feared that the new committee, whose members are likely to be more familiar with Sion and Turin, will

opt for one of those cities because lesser-known candidates cannot now even offer a tour before the winning city is chosen. The Zakopane bid committee had planned to spend about \$1.5 million cultivating IOC members.

Even the better-known city of Turin,

in the new rules have left organizers perplexed and scrambling for a change in strategy to promote their city. "Surely having the rules change in the middle of the race creates problems for us," said Alberta Brivio Sforza, a spokeswoman for Turin's bid committee. "We were sure we would be able to show the Olympic committee members our city, show them the atmosphere and all the things Turin has to offer. Seeing it and reading about it on paper are two different things."

This is Sion's third bid to put on the Winter Games — the first was in 1976

— and it is one of the few Swiss cities to show much enthusiasm for staging such an event. Even though Lausanne is

home to the IOC, the last time the Winter Olympics were in Switzerland was in 1948, in St. Moritz.

Organizers do not say it directly, but they hope Switzerland's reputation for financial probity will pay off. Sion's presents to the visiting evaluation committee members when they came in October have been publicly disclosed — personally monogrammed sweaters as well as photo albums — and the \$500,000 saved from all those canceled IOC member visits will be plowed back, in part, into the 50-minute presentation each candidate city will make to the full IOC in Seoul in June before the decision is made.

As for the kind of inducements offered by Salt Lake City, a spokesman, Jean-Raphael Fontanazza, could not resist pointing out that during Sion's bid, he presented to the visiting IOC members a photo album — and the \$500,000 saved from all those canceled IOC member visits will be plowed back, in part, into the 50-minute presentation each candidate city will make to the full IOC in Seoul in June before the decision is made.

A Tranquil Mauresmo Is Hoping for 'Respect'*Homosexuality Is Part of My Life, She Says*By Christopher Clarey
International Herald Tribune

MELBOURNE — After her first Grand Slam final had ended in a 6-2, 6-3 loss to Martina Hingis, Amelie Mauresmo sat at a table outside the players' lounge and talked calmly and confidently about her decision to make her homosexuality public knowledge.

Even before arriving at the Australian Open, Mauresmo said she had decided to talk about the topic, not because she wanted to become a symbol or the focus of attention, but because she did not want to dance around the subject throughout her career.

"When the media asks me what's going on in my life, I'm obliged to talk about this because it's part of my life," she said. "And here it is. It's clear that I'm not going to get unanimous support for this. Not everybody is going to be behind my back saying, 'Super.' But no matter what I do, there will always be people against me. With that in mind, I decided to make my sexuality clear."

"There will be people who I hope will respect me for doing it because it was my decision, and because there are many other players who are the same way as I am and say nothing and act as if nothing is going on."

Mauresmo, 19, who is from Bormel, France, was asked if her decision might serve as an example to those players. "Perhaps," she said. "I hope so for them, because right now they are the ones who are having a hard time dealing with their situation. I feel sorry for them."

Mauresmo's resolve will be tested most obviously by the corporate world. The last high-profile tennis player to acknowledge her

homosexuality, Martina Navratilova, never received sponsorship and endorsement contracts commensurate with her achievements before retiring in 1994.

"This will be a good test," said Pam Shriver, a former president of the Women's Tennis Association and Navratilova's former doubles partner. "If the commercial world embraces her, then it's a different era."

Mauresmo, who has a clothing contract, said: "I think things have evolved, and in my opinion, if they want to set me aside, there will be dozens more who will take me. It's clear. And if they let me go for that, they are jerks anyway."

Shriver expressed her belief that "there certainly won't be any repercussions long-term with the players in the locker room or the way Amelie is treated at tournaments."

But in the short term, there were repercussions in Melbourne.

Mauresmo came here with her new coach, Christophe Fournier, and her partner, Sylvie Bourdon. On Thursday, after her semifinal victory, Hingis, 18, was asked about Mauresmo at a news conference, which was broadcast around the tennis center, with Swiss journalists who reported that she was in a joking tone, in German: "She's here with her girlfriend. She's half a man."

Mauresmo denied making the comment and explained that she had said only that Mauresmo played like a man, but neither Fournier nor Mauresmo was convinced.

"I listened to the press conference, and she really said that 'she was half a man because she was with a woman,'" Fournier said. "Despite her young age, she has got responsibilities in light of

Humphreys, the captain, kicked a drop goal. Laurent Lahit and Michael Carré each kicked a penalty for Colomiers.

Three Ulster players — Humphreys, flanker Andy Ward and center Jonathan Bell — could return to Dublin on Saturday to play for Ireland against France. It is considered unlikely that any Colomiers players will be on the French team. (AP, Reuters)

Ulster Wins European Rugby Union Cup*Compiled by Our Staff From Dispatches*

DUBLIN — Roared on by 28,000 fans who had crossed the border from Northern Ireland, the Ulster rugby union team won the European Cup on Saturday, beating the French club Colomiers, 21-6.

Simon Mason, the Ulster fullback, kicked six penalties. David

Humphreys, the captain, kicked a drop goal. Laurent Lahit and Michael Carré each kicked a penalty for Colomiers.

Three Ulster players — Humphreys, flanker Andy Ward and center Jonathan Bell — could return to Dublin on Saturday to play for Ireland against France. It is considered unlikely that any Colomiers players will be on the French team. (AP, Reuters)

Simon Mason, the Ulster fullback, kicked six penalties. David

Humphreys, the captain, kicked a drop goal. Laurent Lahit and Michael Carré each kicked a penalty for Colomiers.

Three Ulster players — Humphreys, flanker Andy Ward and center Jonathan Bell — could return to Dublin on Saturday to play for Ireland against France. It is considered unlikely that any Colomiers players will be on the French team. (AP, Reuters)

Simon Mason, the Ulster fullback, kicked six penalties. David

Humphreys, the captain, kicked a drop goal. Laurent Lahit and Michael Carré each kicked a penalty for Colomiers.

Three Ulster players — Humphreys, flanker Andy Ward and center Jonathan Bell — could return to Dublin on Saturday to play for Ireland against France. It is considered unlikely that any Colomiers players will be on the French team. (AP, Reuters)

Simon Mason, the Ulster fullback, kicked six penalties. David

Humphreys, the captain, kicked a drop goal. Laurent Lahit and Michael Carré each kicked a penalty for Colomiers.

Three Ulster players — Humphreys, flanker Andy Ward and center Jonathan Bell — could return to Dublin on Saturday to play for Ireland against France. It is considered unlikely that any Colomiers players will be on the French team. (AP, Reuters)

Simon Mason, the Ulster fullback, kicked six penalties. David

Humphreys, the captain, kicked a drop goal. Laurent Lahit and Michael Carré each kicked a penalty for Colomiers.

Three Ulster players — Humphreys, flanker Andy Ward and center Jonathan Bell — could return to Dublin on Saturday to play for Ireland against France. It is considered unlikely that any Colomiers players will be on the French team. (AP, Reuters)

Simon Mason, the Ulster fullback, kicked six penalties. David

Humphreys, the captain, kicked a drop goal. Laurent Lahit and Michael Carré each kicked a penalty for Colomiers.

Three Ulster players — Humphreys, flanker Andy Ward and center Jonathan Bell — could return to Dublin on Saturday to play for Ireland against France. It is considered unlikely that any Colomiers players will be on the French team. (AP, Reuters)

Simon Mason, the Ulster fullback, kicked six penalties. David

Humphreys, the captain, kicked a drop goal. Laurent Lahit and Michael Carré each kicked a penalty for Colomiers.

Three Ulster players — Humphreys, flanker Andy Ward and center Jonathan Bell — could return to Dublin on Saturday to play for Ireland against France. It is considered unlikely that any Colomiers players will be on the French team. (AP, Reuters)

Simon Mason, the Ulster fullback, kicked six penalties. David

Humphreys, the captain, kicked a drop goal. Laurent Lahit and Michael Carré each kicked a penalty for Colomiers.

Three Ulster players — Humphreys, flanker Andy Ward and center Jonathan Bell — could return to Dublin on Saturday to play for Ireland against France. It is considered unlikely that any Colomiers players will be on the French team. (AP, Reuters)

Simon Mason, the Ulster fullback, kicked six penalties. David

Humphreys, the captain, kicked a drop goal. Laurent Lahit and Michael Carré each kicked a penalty for Colomiers.

Three Ulster players — Humphreys, flanker Andy Ward and center Jonathan Bell — could return to Dublin on Saturday to play for Ireland against France. It is considered unlikely that any Colomiers players will be on the French team. (AP, Reuters)

Simon Mason, the Ulster fullback, kicked six penalties. David

Humphreys, the captain, kicked a drop goal. Laurent Lahit and Michael Carré each kicked a penalty for Colomiers.

Three Ulster players — Humphreys, flanker Andy Ward and center Jonathan Bell — could return to Dublin on Saturday to play for Ireland against France. It is considered unlikely that any Colomiers players will be on the French team. (AP, Reuters)

Simon Mason, the Ulster fullback, kicked six penalties. David

Humphreys, the captain, kicked a drop goal. Laurent Lahit and Michael Carré each kicked a penalty for Colomiers.

Three Ulster players — Humphreys, flanker Andy Ward and center Jonathan Bell — could return to Dublin on Saturday to play for Ireland against France. It is considered unlikely that any Colomiers players will be on the French team. (AP, Reuters)

Simon Mason, the Ulster fullback, kicked six penalties. David

Humphreys, the captain, kicked a drop goal. Laurent Lahit and Michael Carré each kicked a penalty for Colomiers.

Three Ulster players — Humphreys, flanker Andy Ward and center Jonathan Bell — could return to Dublin on Saturday to play for Ireland against France. It is considered unlikely that any Colomiers players will be on the French team. (AP, Reuters)

Simon Mason, the Ulster fullback, kicked six penalties. David

Humphreys, the captain, kicked a drop goal. Laurent Lahit and Michael Carré each kicked a penalty for Colomiers.

Three Ulster players — Humphreys, flanker Andy Ward and center Jonathan Bell — could return to Dublin on Saturday to play for Ireland against France. It is considered unlikely that any Colomiers players will be on the French team. (AP, Reuters)

Simon Mason, the Ulster fullback, kicked six penalties. David

Humphreys, the captain, kicked a drop goal. Laurent Lahit and Michael Carré each kicked a penalty for Colomiers.

Three Ulster players — Humphreys, flanker Andy Ward and center Jonathan Bell — could return to Dublin on Saturday to play for Ireland against France. It is considered unlikely that any Colomiers players will be on the French team. (AP, Reuters)

Simon Mason, the Ulster fullback, kicked six penalties. David

Humphreys, the captain, kicked a drop goal. Laurent Lahit and Michael Carré each kicked a penalty for Colomiers.

Three Ulster players — Humphreys, flanker Andy Ward and center Jonathan Bell — could return to Dublin on Saturday to play for Ireland against France. It is considered unlikely that any Colomiers players will be on the French team. (AP, Reuters)

Simon Mason, the Ulster fullback, kicked six penalties. David

Humphreys, the captain, kicked a drop goal. Laurent Lahit and Michael Carré each kicked a penalty for Colomiers.

Three Ulster players — Humphreys, flanker Andy Ward and center Jonathan Bell — could return to Dublin on Saturday to play for Ireland against France. It is considered unlikely that any Colomiers players will be on the French team. (AP, Reuters)

Simon Mason, the Ulster fullback, kicked six penalties. David

Humphreys, the captain, kicked a drop goal. Laurent Lahit and Michael Carré each kicked a penalty for Colomiers.

Three Ulster players — Humphreys, flanker Andy Ward and center Jonathan Bell — could return to Dublin on Saturday to play for Ireland against France. It is considered unlikely that any Colomiers players will be on the French team. (AP, Reuters)

Simon Mason, the Ulster fullback, kicked six penalties. David

Humphreys, the captain, kicked a drop goal. Laurent Lahit and Michael Carré each kicked a penalty for Colomiers.

Three Ulster players — Humphreys, flanker Andy Ward and center Jonathan Bell — could return to Dublin on Saturday to play for Ireland against France. It is considered unlikely that any Colomiers players will be on the French team. (AP, Reuters)

Simon Mason, the Ulster fullback, kicked six penalties. David

Humphreys, the captain, kicked a drop goal. Laurent Lahit and Michael Carré each kicked a penalty for Colomiers.

Three Ulster players — Humphreys, flanker Andy Ward and center Jonathan Bell — could return to Dublin on Saturday to play for Ireland against France. It is considered unlikely that any Colomiers players will be on the French team. (AP, Reuters)

Simon Mason, the Ulster fullback, kicked six penalties. David

Humphreys, the captain, kicked a drop goal. Laurent Lahit and Michael Carré each kicked a penalty for Colomiers.

Three Ulster players — Humphreys, flanker Andy Ward and center Jonathan Bell — could return to Dublin on Saturday to play for Ireland against France. It is considered unlikely that any Colomiers players will be on the French team. (AP, Reuters)

WORLD ROUNDUP



Rahul Dravid, an Indian batsman, looking back Sunday to see that his wicket had fallen.

Pakistan Tops India

CRICKET Pakistan survived a roller-coaster day Sunday to beat India by 12 runs in Madras in the first test. India, needing 271 runs in its second innings to win, slipped to 82 for five wickets. Sachin Tendulkar and Nayan Mongia took score to 218 before Mongia was out for 52. After Tendulkar was out for 136 with the score on 254, India's last three wickets fell for four runs. No other Indian scored more than 10.

• Ricky Ponting returned from a three match ban Sunday to win the man-of-the-match award as Australia beat Sri Lanka by 45 runs in Perth in the tri-series one-day competition. Australia will play England in the final. Ponting was suspended following a brawl in a Sydney nightclub. (Reuters)

Moseley Wins as Els Slips

GOLF Ernie Els blew a six-stroke lead in the last round of the Heineken Classic in Perth on Sunday. Els triple-bogeyed the seventh, lost his composure and hit a 75. Jarrod Moseley, an Australian, shot 69 for a 14-under-par total of 274 to beat Els by one stroke. (Reuters)

A Russian Sweep

FIGURE SKATING Maria Butyrskaya retained the women's title Saturday as Russia captured all four titles at the European championships for the third straight year. Butyrskaya, 26, gave a commanding performance that earned her first-place votes from every judge in all three phases of the competition. Two Russian teenagers, Julia Solatova and Viktoriya Volchkova, finished second and third. Russia won nine of the 12 medals at the competition in Prague. (Reuters)

By Christopher Clarey
International Herald Tribune

MELBOURNE — Yevgeni Kafelnikov, no longer a one-Slam wonder, brandished his trophy in the direction of the television cameras and ended his victory speech with a personal message: "Pete. This is really a great, wonderful feeling. Thanks for letting me do this."

Kafelnikov was expressing his gratitude to Pete Sampras, the world's No. 1 ranked player, for deciding to rest his weary mind and body by skipping the Australian Open.

Kafelnikov has long admired Sampras. He met him in 1991, when he and his coach left the Soviet Union when it was still a Union for three weeks

Hingis captures women's final. Mauresmo on being gay. Page 19.

of training at Nick Bollettieri's tennis academy in Florida. Kafelnikov's silken footwork and polished groundstrokes caught Sampras's eye, and Sampras asked the teenager to train with him.

Four years later, in their first official match, Kafelnikov almost beat Sampras in the second round of the 1994 Australian Open, losing 9-7 in the fifth set. But despite that near-miss and his convincing victory over Sampras in the semifinals of the 1996 French Open — the tournament where Kafelnikov would win his first Grand Slam title — the Russian has usually struggled against Sampras. Even if Sunday's victory speech was lighthearted, Kafelnikov remains acutely aware that the American is one of the finest players in history and he, for the moment, is not.

• Whenever Pete is in the tournament, you feel like he's definitely the man to win," Kafelnikov said Sunday after his 4-6, 6-0, 6-3, 7-6 (7-1) victory over Thomas Enqvist of Sweden. "With his absence, it opens up the field for everybody, including myself."

The field did open. Kafelnikov only had to beat one seeded player, Todd Martin, to win the title. But Enqvist be-

lieves Kafelnikov's victory in Melbourne was hardly an accident. "I think Yevgeni could have a good chance to win it, even if Pete was playing," said Enqvist.

Larry Stefanki, Kafelnikov's new coach, agreed: "I've never been with him when he played Pete, but I think his viewpoint might change. I don't think he's second in line to anybody right now, Pete included."

It will be Stefanki's job to convince Kafelnikov. Stefanki, a former professional, coached John McEnroe near the end of his career and coached Marcelo Rios when Rios reached last year's Australian Open final and then rose to No. 1 ranking.

"Yevgeni is more of a grinder, Jimmy Connors type," said Stefanki, who split with Rios last summer. "Marcelo and Mac were more artists."

Stefanki said he chose Kafelnikov because of his potential and what he sensed was a change in a young man who has earned a reputation for being more interested in materialistic rewards, like his monogrammed Ferrari and private plane, than major titles.

Kafelnikov, who will rise to No. 3 in this week's rankings, has experienced considerable change in the past year. He was married in July and now has an 11-year-old stepdaughter and three-month-old infant daughter. He also split with his longtime coach, Anatoly Lepeshkin. For the last seven months of 1998, Kafelnikov, a man who once said he required "a strong hand" to keep him on task, was without a coach altogether and briefly considered retiring.

"What I was looking for was motivation, and I needed a guy I can really play for, because when I was on my own I had nobody behind me," he said.

Stefanki is as gregarious as Kafelnikov can be guarded. But they have more in common than their love of golf. Both are strong-minded, and both liked most of what they saw on Centre Court on Sunday when a tournament that steadfastly refused to respect the pecking order finished on a more predictable note with Kafelnikov, seeded 10th, reaping the rewards of his versatility against the unseeded Enqvist.

It was a final that featured high-velocity baseline play, one massive momentum shift and far too many unforced errors to rank as a classic. It ended on an Enqvist double fault.

"I cannot really answer what happened to Thomas," Kafelnikov said afterwards. "But the game plan was very simple. I try to place as many balls in play as I can, because I knew I will get the chance. Basically what happened was I broke Thomas mentally."

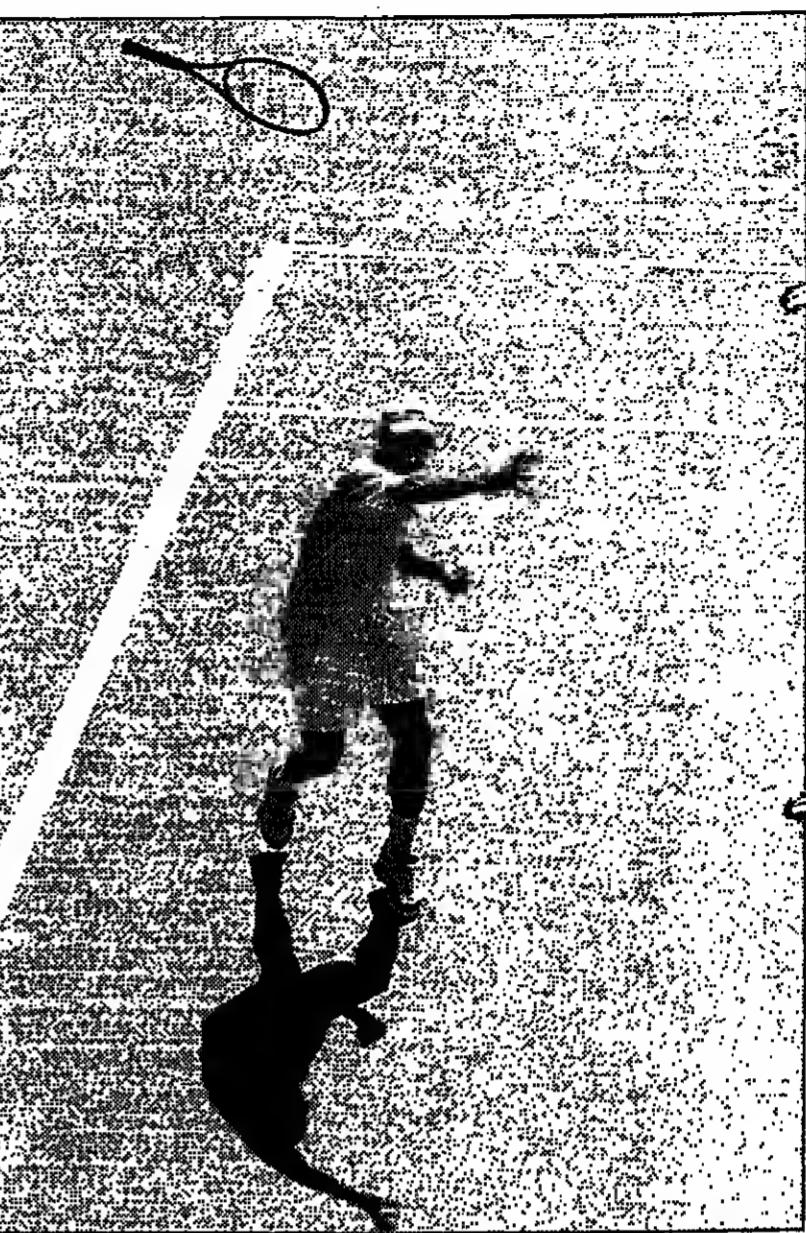
Enqvist carried an 11-match victory streak into the match. But in his first Grand Slam final, he was unable to sustain the backcourt brilliance that had allowed him to make this Australian Open considerably less Australian by defeating Patrick Rafter and Mark Philippoussis.

He finished with 62 unforced errors. After winning the first set, which featured the best tennis of the match, he lost nine straight games to the Russian. Though he lifted his play in the final set, the tiebreaker was a microcosm of the match: unforced errors from Enqvist and all-court play from Kafelnikov, who unlike the Swede, is comfortable at the net and adept at improvising.

The problem with Enqvist's game is that his awkwardness in transition from baseline to net does not allow him to reap the full rewards from the weak shots he forces with his huge groundstrokes. He swings away and serves hard, and when it is all working, it can be overwhelming. But when it goes awry it can be about as inspiring as Enqvist in an interview.

Asked if he had any amusing Enqvist stories, the Swedish Davis Cup captain, Carl-Axel Hageskog, laughed and said: "There aren't any. Just like Stefan Edberg."

Kafelnikov, when the mood is right, can be much more diverting in his imperfections but delightfully comprehensible English: "I mean there's a lot of different things that happen to me to just relieve pressure from my head," he said Sunday. "I feel a lot flexible right now, a lot happier than I was. When you combine those things, you feel like you can jump over the China Wall without having any difficulties."



Yevgeni Kafelnikov of Russia tossing his racket into the crowd after defeating Thomas Enqvist of Sweden for the Australian Open crown. (Agence France-Presse)

Kafelnikov Defeats Enqvist for Australian Open Title

Manchester United Downs Charlton to Capture League Lead

Compiled by Our Staff From Dispatches

Manchester United went to the top of the English Premier League for the first time this season Sunday when it won, 1-0, at Charlton while Chelsea, which started the day as the league leader, lost at Arsenal, 1-0.

United leads Chelsea and Aston Villa, which lost, 2-1, at Newcastle on Saturday, by one point. Arsenal, the defending champion, is one point further back. United did not take the lead until the 89th minute, when Dwight Yorke headed in the winning goal.

On the other side of London, Arsenal ended visiting Chelsea's 21-game league unbeaten streak. The only goal came after 32 minutes when Marc Overmars directed Emmanuel Petit's long pass toward Dennis Bergkamp, who coolly placed the ball past Ed de Goey, the Chelsea goalie.

On Saturday, Alan Shearer scored his first Premier League goal in over four months when he headed Newcastle into the lead against Villa. Temuri Ketsbaia scored Newcastle's other goal before Paul Merson replied for Villa.

Elsewhere, Pierre Van Hooijdonk scored the only goal as Nottingham

Forest won, 1-0, at Everton, ending a 19-game winless streak in the league. Everton has scored just three goals in 12 home games.

ITALY Christian Vieri scored twice Sunday as Lazio won, 3-1, at Bari to gain its eighth consecutive victory.

Attilio Lombardo, who recently joined Lazio from Crystal Palace, also scored as the Rome club remained three points behind Fiorentina, the Serie A

leader, which beat Vicenza, 3-0, in Florence.

Giulio Falcone, Moreno Torricelli and Gabriel Batistuta, with his 17th goal of the season, scored for Fiorentina.

AC Milan rose to third place after beating visiting Salernitana, 3-2. The Salerno team led, 2-1, after 14 minutes, but George Weah and Oliver Bierhoff, with his second goal of the game, gave Milan the victory. Milan, which has not lost in eight matches, visits Fiorentina this weekend.

Parma, which started the day in third place, needed an 86th minute goal by Enrico Chiesa to gain a 2-2 home draw with Venezia.

Angelo Peruzzi, the Juventus goalie, saved a second-half penalty, but the defending league champion still lost, 1-0, at Cagliari.

Inter Milan, playing without its in-

Hoddle's Remarks Draw Fire

Glenn Hoddle, the coach of England's national soccer team, will have to answer to the Football Association over comments he allegedly made about disabled people. Reuters reported from London.

David Davis, the FA's interim executive director, said Sunday that English soccer's governing body "will want to know how a football interview with a football reporter turned into something different."

The Times of London quoted Hoddle as saying that disabled people were paying for sins in a past life.

"You and I have been physically given two hands and two legs and a half-decent brain. Some people have not been born like that for a reason. The karma is working from another lifetime. What you sow, you have to reap."



(say yes)

and use AT&T Direct™ Service. With the world's most powerful network you get fast, clear, reliable connections from anywhere. Plus you'll always have the option of an operator who speaks your language. All it takes is your AT&T Calling Card or credit card, and you're well on your way. So you can give everyone back home a ring.

For easy calling worldwide:

1. Just dial the AT&T Access Number for the country you are calling from.
2. Dial the phone number you're calling.
3. Dial your card number.



AT&T Access Numbers	
Australia	072-903-011
Belgium	0-880-100-10
Czech Republic	0-82-000-101
Egypt (Cairo)	510-0200
France	0-800-99-0011
Germany	0-130-0018
Greece	0-800-559-000
Ireland	1-800-559-011
Israel	1-800-94-94-94
Italy	172-1011
Netherlands	0-800-022-0111
Russia (Moscow)	755-5042
Saudi Arabia	1-800-10
Spain	900-99-00-11
Sudan	020-795-611
Switzerland	0-800-07-00-011
United Kingdom	0-800-07-00-011
United Kingdom	0-800-07-00-011

For access numbers not listed above, ask any operator for AT&T Direct Service, or visit our Web site at www.att.com/traveler.

AT&T

It's all within your reach.

Credit card calling subject to availability. Payment terms subject to your credit card agreement. Bold-faced countries permit country-to-country calling outside the U.S. Collect calling is available to the U.S. only. Country-to-country rates consist of the cost of a call to the U.S. plus an additional charge based on the country you are calling. You can call the U.S. from all countries listed above. Pay phone deposit. ¹United Kingdom. ²Calling available to most countries. ³Public phones require local coin payment during the call. ⁴U.S. first, outside Cairo. Additional charges apply outside Moscow. C.U.C. U.K. access number in N. Ireland. ⁵If call does not complete, use 0800-073-0011, ⁶1998 AT&T